

PERIODICAL ROOM
GENERAL LIBRARY
UNIV. OF MICH.

Social Security Bulletin

September 1942

Special Article

**Labor Scarcity and Labor-Market Policy Under an
Armament Program in Germany
and Great Britain**

FEDERAL SECURITY AGENCY
SOCIAL SECURITY BOARD
WASHINGTON, D. C.

Volume 5

Number 9

CONTENTS

for

SEPTEMBER 1942

	Page
SOCIAL SECURITY IN REVIEW.....	1
LABOR SCARCITY AND LABOR-MARKET POLICY UNDER AN ARMAMENT PROGRAM IN GERMANY AND GREAT BRITAIN, by Constance A. Kiebel.....	4
PUBLIC ASSISTANCE:	
Monthly data on the special types of public assistance, general assistance, and Federal work programs.....	32
EMPLOYMENT SECURITY:	
Operations of the employment security program.....	40
Monthly data on the labor market, placements, and insurance activities, July 1942	40
Railroad unemployment insurance.....	53
OLD-AGE AND SURVIVORS INSURANCE:	
Operations under the Social Security Act.....	56
Monthly benefits in force and payments certified, June 1942.....	56
Monthly benefits and lump-sum payments awarded, April-June 1942.....	58
Operations under the Railroad Retirement Act.....	58
SOCIAL AND ECONOMIC DATA:	
Social security and other income payments to individuals.....	60
Financial and economic data.....	64
RECENT PUBLICATIONS.....	71

Social Security Bulletin

Volume 5

SEPTEMBER 1942

Number 9

Social Security in Review

THE U. S. EMPLOYMENT SERVICE "and all the functions, duties, and powers of the Social Security Board in the Federal Security Agency relating to employment service" were transferred by the President on September 17 to the War Manpower Commission, to be "administered under the supervision and direction of the Chairman of the Commission." The National Youth Administration, the Apprenticeship Training Service, and the Training Within Industry Service were also transferred from the Federal Security Agency by the Executive Order, No. 9247; it was stipulated that the first two should be preserved as organizational entities within the Manpower Commission. The order further transferred to the Chairman of the Commission all functions, duties, and powers of the Federal Security Administrator relating to the following matters administered by the Office of Education: loans to students in technical and professional fields, education and training of defense workers, and visual aid for war training.

"In order to maintain, to the maximum extent consistent with the effective prosecution of the war," the Presidential order concluded, "the essential coordination and integration of public employment service and unemployment compensation functions, and to avoid any necessity for establishing duplicate public employment office facilities, the Chairman of the War Manpower Commission is directed to provide for making available to agencies charged with the administration of unemployment compensation laws, such services, information, and facilities by the United States Employment Service and its public employment offices as the Chairman of the War Manpower Commission finds will not be inconsistent with the effective prosecution of the war and as the Social Security Board finds necessary for the proper and efficient administration of such unemployment compensation laws."

THE FIRST "CRITICAL LABOR AREA" established by

the War Manpower Commission to prevent wasteful pirating and migration of war workers was announced by Paul V. McNutt, Chairman, on September 8. The area, in which manpower losses have already reduced production of copper and other metals and lumber, comprises the States of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Texas, Utah, Washington, and Wyoming. All nonferrous-metal mining, milling, smelting, and refining, and all logging and lumbering industries and activities within the area are declared to be "essential war production activities." All production and maintenance occupations in the industries and activities so designated constitute "critical occupations." Workers engaged in an essential activity shall not seek employment, whether essential or nonessential to war production, without first obtaining a certificate of separation from a designated representative of the U. S. Employment Service. No employer in the area, whether engaged in essential or nonessential production, may hire any worker employed in one of the designated critical occupations on or after September 7 except on presentation by the worker of a certificate of separation. Appeal machinery to safeguard the interests of both workers and employers is provided.

Announcement of the plan followed consultation with leading members of management and labor organizations in the affected industries at a meeting in Washington early in September. Prompt action was deemed necessary to prevent further decline in essential production as a result of the pirating of labor at a time when sharp increases are vital. "It is important to note," Mr. McNutt pointed out, "that nothing in the employment stabilization plan will affect the collective bargaining agreements now in force, or established in the future, between unions and employers." The Selective Service System has already informed its local draft boards that

essential manpower should not be drained from the mines, mills, smelters, and lumber and logging operations in the area. Not later than 3 months after the effective date of the plan, a conference of representatives of management and labor is to be called by the Chairman of the Commission to consider the plan in the light of experience gained and to recommend such modifications or alterations as may be required to meet war production needs and to prevent injustices and hardships to employers and employees.

CREATION OF A WOMEN'S POLICY COMMITTEE of 12 members to assist the War Manpower Commission was announced by Paul V. McNutt on September 4. Saying that at least 18 million women must be gainfully employed by the end of 1943—5 million more than are now employed—Mr. McNutt indicated that the new Committee would be instrumental in determining whether a compulsory Nation-wide registration of women should be requested; it would also assist, if the need arose for drafting women for employment, in working out the necessary details. Such a program would include not only the actual recruitment of woman-power but the establishment of an enlarged and intensified training program to meet the needs of expanding production and of plants whose men are being taken into the armed forces.

PUBLIC EMPLOYMENT OFFICES made more than a million placements in July, 9 percent more than in June. Most of this increase came in filling farm jobs; the 350,000 agricultural placements were one-fourth more than in June while the 656,000 nonagricultural placements represented an increase of only 2 percent. In comparison with July 1941, however, 60 percent more jobs in all were filled this July; farm placements were up nearly 150 percent and nonfarm up 35 percent. More than half of all July farm placements were made in Arkansas, California, Idaho, Oregon, Texas, and Washington. Although most of the nonfarm placements continued to be made in a small number of highly industrialized States, the major part of the increase from June took place in the predominantly agricultural States. Sharp increases in Arizona, Arkansas, Kansas, Mississippi, Missouri, Montana, New Mexico, and Wyoming reflected the growing production and construction activities now taking place in the interior of the

country. The rise begun in March in the number of different individuals placed in nonagricultural jobs continued through July with the placement of 475,000 persons, 5 percent more than in June. Applications for work filed with employment offices during July dropped 10 percent from June to 1.7 million.

The total amount paid in unemployment benefits was 8 percent more than in June, a rise due largely to the situation in New York State, where payments almost doubled after the beginning of the new benefit year in June. The State made payments of \$9.2 million, twice the amount of disbursements in Illinois, the next highest State. For the country as a whole, total benefit expenditures in July were \$32.6 million. Most of the States reported declines from June; only 12 States besides New York made greater benefit outlays. That payments in July were 11 percent greater than in July 1941 resulted from higher base-period earnings and liberalized benefit provisions in a number of States and the change in the New York State benefit year. Some 863,000 different individuals received at least one payment during the month, slightly fewer than in June.

MONTHLY BENEFITS totaling \$10.8 million were in force in June for 596,000 beneficiaries of the old-age and survivors insurance program, increases of 3 percent each over the May totals. The proportion of benefits in conditional-payment status continued upward, the June increase being attributable entirely to an increase in the number of suspended payments. While the number of monthly benefit awards during the April-June quarter decreased slightly from the previous quarter, the number of lump-sum payments reached the highest point so far recorded. The 26,900 primary benefits awarded were the lowest number for any quarter—except October-December 1941—since monthly benefits first became payable.

CHANGES IN THE STATISTICAL SERIES on public assistance and Federal work programs in the continental United States, inaugurated with July data, reflect changes in the character or magnitude of various public aid programs. Current data on subsistence payments of the Farm Security Administration have been dropped; because of a drastic reduction in its appropriations, subsistence payments in the current year will be made by the

FSA only to families in need because of natural disasters. Liquidation of the CCC, as directed by Congress, is in process; data on enrollees and earnings during the period of liquidation will not be carried regularly but will be included in the time series only as data become available. Because the out-of-school work program of the NYA is now focused on the training of inexperienced youth for war industry, enrollment on work projects is no longer governed by need and therefore the program will no longer appear as part of the series. Data for PWA and other Federal agency projects financed from emergency funds are discontinued because they are of negligible importance even in the few States with such projects in operation. Beginning with July data, also, the general relief program will henceforth be called "general assistance"; this change is one of terminology only.

Total expenditures for public assistance and earnings amounted in July to \$120 million, a decrease of 11 percent from June and 28 percent from July 1941. Of the total amount expended, the special types of public assistance accounted for 54 percent, general assistance for 11 percent, and WPA projects for 35 percent. In comparison with figures for July 1941, payments for general assistance were 31 percent lower and earnings on WPA projects 38 percent less, while payments for the three special types were 8 percent higher.

AN INTER-AMERICAN CONFERENCE ON SOCIAL SECURITY, organized by the Inter-American Committee to Promote Social Security, opened on

September 10 in Santiago, Chile, under the auspices of the Chilean Government. Officials, social security administrators, and technical experts from the Latin American Republics, the United States, and Canada participated in the conference. Arthur J. Altmeyer, Chairman of the Social Security Board, served as chairman of the United States delegation. The three main items on the agenda for discussion were: extension of social insurance coverage to agricultural workers, to the self-employed, and to domestic servants; efficacy and economy of medical and pharmaceutical benefits in health insurance plans; and administration of cash disability benefits. The third item was presented for discussion by Mr. Altmeyer, who reported on "Formulating a Disability Insurance Program; an Analysis of Problems With Special Regard to the Situation in the United States." Other subjects of special concern to members of the Conference and listed for discussion include: approaches to social security; actuarial, statistical, and administrative standards for social insurance; and protection of insurance rights of foreign workers. The Inter-American Committee was established in December 1940 in Lima, when the heads of administrations and central institutions of social insurance from a number of American countries were present at the invitation of the Peruvian Government on the occasion of the opening of the Worker's Hospital, built by the National Social Insurance Fund of Peru. The Committee operates in relation with the International Labor Office, which was in charge of technical preparations for the Santiago Conference.

Labor Scarcity and Labor-Market Policy Under an Armament Program in Germany and Great Britain

CONSTANCE A. KIEHEL*

Striking similarities in the pattern of labor shortages that developed in Germany and Great Britain as a result of military mobilization and armament production suggest some current problems in the United States. Although, for many reasons, neither German nor British experience is wholly relevant, analysis of procedures in these countries reveals factors inherent in the development of labor-market policy and administration in wartime.

THE MECHANIZATION of modern warfare is responsible for basic similarities in the pattern of labor-market conditions that unfolds under a modern armament program. The numerical strength of armies is now limited by the availability of industrial workers able to keep them equipped not only with munitions but with the latest models of airplanes, tanks, and motorized transports. Pressure to secure labor for armament needs has been greatly augmented. During former wars, labor shortages, primarily of unskilled labor, eventually developed as a result of the demand for munitions. Today, the need for mass production of mechanized combat units, combined with the military requirements for mechanical maintenance, has changed the nature of war-labor demands.

Characteristic of modern armament programs is the early appearance of shortages of skilled workers. At first such shortages are localized and limited to highly skilled occupations, but inevitably they become geographically and industrially more widespread as the reemployment of multi-skilled and unit-skilled unemployed workers progresses. At length the point is reached when the available supply of unemployed workers previously employed in the metal trades is exhausted. It then becomes necessary to utilize the services either of remaining reserves of unemployed workers or of skilled workers employed in related occupations in other industries. Finally, as a result of increased production demands and military drains,

the reemployment process may reach the point where available unemployed reserves are virtually exhausted and it becomes necessary to curtail employment in nonessential industries and recruit workers not previously attached to the labor market. Employer competition for workers, coincident with and even antedating the development of actual labor shortages, increases as the scarcity of labor becomes more acute. More and more, widespread employer pirating, spiraling wage rates, and increasing labor turn-over, in addition to military drains, tend to disorganize and disrupt armament production.

The degree of labor scarcity primarily controls the application of governmental labor-supply policy. Nevertheless, institutional factors are responsible for essential differences in the basic approach to the formulation and enforcement of labor-supply policy. The Germans began with a blueprint of a controlled economy in which labor, equally with raw materials, was looked upon as a resource needed for armament expansion. The British, on the other hand, began with a relatively free economy in which the labor market was influenced by long-established and widespread worker organizations which were represented politically by actual participation in government. In Great Britain, for instance, adherence to the democratic principle of discussing labor-supply legislation with labor representatives to obtain agreement on basic policy prior to enactment characterized the introduction of labor-market controls. Such practices were absent in Germany, because trade-unions in the traditional sense had ceased to exist. Political aims and economic precedents thus affected the method of introduc-

*Bureau of Employment Security, Reports and Analysis Division. This article is summarized from a longer monograph issued in February 1942 as Employment Security Memorandum No. 18. In bringing the material up to date for this article the author was assisted by Samuel Halpern.

tion, the scope, and timing of labor-market measures. Differences in general economic conditions also accounted for minor variations in the nature of the labor shortage and, therefore, in the character of the required measures.

Variation in general climatic conditions in the two countries explains differences in the nature of the labor-shortage problem. Seasonal unemployment is more marked in Germany than in Great Britain, largely as a result of the greater importance of agriculture. The acute agricultural-labor shortage in Germany that antedated the Hitler regime had no counterpart in Great Britain. The timing factor also accounts for differences in the state of the labor supply. Hitler started his program, directed to an all-out war effort, in March 1933, during a major trade depression when unemployed reserves were markedly large. The British undertook a relatively small armament program in the spring of 1936 during a period of recovery. In March 1933, reserves of unemployed workers totaled more than 6 million in Germany, compared to a total employment of 13 million, whereas there were only 1.9 million unemployed persons in Great Britain in March 1936, as compared to an estimated total employment of 11.5 million.

Following the policy of adapting the total economy to permit maximum utilization of available manpower for armament purposes, Germany, as labor reserves dwindled, progressively extended labor control over all fields of economic activity. Great Britain, proceeding on the theory that government regulation of industry was an emergency measure, limited the area of labor control to industries essential to the armament program. Other than enforcing production curtailment the British did not attempt to regulate employment in nonessential consumer-goods fields until leakage of labor released from nonessential industries forced the adoption of such policy.

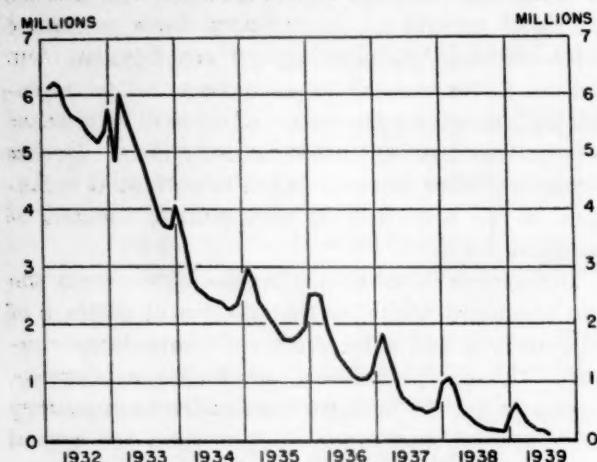
German labor-allocation procedure was based on an occupational approach to the problem. As shortages developed, employment service control of hiring was extended over similar and related groups of occupations regardless of industry lines. This approach promoted effective utilization of the labor supply in two ways: it permitted maximum use in armament industries of unemployed and employed workers from nonessential fields of employment with a minimum of labor loss, and it

promoted widespread inter-industry dovetailing of seasonally unemployed workers. The British policy of control on an industry basis promoted intra-industry stabilization of employment but did not foster transfer from nonessential to essential industries on the basis of similar or related occupations cutting across industry lines. It also permitted labor from curtailed nonessential industries to be absorbed in nonessential instead of essential fields.

Differences in labor-market policy between the two countries relate to the scope and method of introduction and enforcement of compulsory controls. Under pressure of acute labor scarcity, Germany did not hesitate to introduce compulsory labor control and made no provision for appeal machinery other than the right to lodge a complaint with the national production administration. On the other hand, Great Britain consistently pursued the policy of safeguarding established worker rights and continued to enlist the cooperation of workers prior to the introduction of compulsory controls. A labor representative in the Cabinet undertook the responsibility for formulating labor-market policy. Joint employer and trade-union national and regional advisory boards aided in this task. Before introducing compulsory control of hiring and separation in essential industries, the British utilized established collective-bargaining machinery to negotiate minimum wage rates and other conditions of work. This method of approach may have somewhat slowed down the rate of increase in armament production, but it has had the important advantages of reducing labor control compliance problems to a minimum and contributing to the maintenance of worker morale, factors which cannot be overlooked in connection with achievements after Dunkirk. Nevertheless, in both countries, hiring controls could not be properly enforced to make workers accept employment in occupations where established wage rates or working conditions, or both, were markedly less favorable than other available employment opportunities.

Maximum utilization of the available manpower to increase armament production under conditions of rapidly developing labor scarcity, however, required the same basic regulation of the labor market in both countries in regard to hiring, training, worker transfer and separation, and bringing new workers into the labor market. In each

Chart 1.—Unemployment in Germany, January 1932–July 1939¹



¹ From March 1935, Saar included; from January 1939, Austria and Sudeten provinces included; from June 1939, Memel included.

Source: *Reichsarbeitsblatt*, Feb. 1932–Aug. 1939.

country a national employment service was entrusted with this task, and its functions changed from assisting workers to find jobs and aiding employers to obtain qualified workers to that of exclusive control of hiring in fields of employment where the labor shortages were acute. To its original functions were added such new duties as the transfer of workers from nonessential to essential employment and the control of separation from employment. The employment service was also given the authority to collect whatever information was deemed necessary from employers and workers, to direct vocational guidance and worker training, to control wages and working conditions, and to enforce the introduction of improved industrial techniques.

Other aspects of labor-market policy are similar in both Germany and Great Britain. Both countries made provision for safeguarding labor reserves of essential armament industries from compulsory military service. Both countries, initially or eventually, made extensive efforts to train workers and required employers in essential industries to assume major responsibility for the task. There was increasing placement of workers from non-essential industries with skills closely related to the skills needed in armament industries, utilization on military construction projects of workers long unemployed, and the reconditioning of so-called unemployable workers for permanent employment. Although unemployment among certain

classes of workers, notably older workers and married women, inevitably accompanied curtailment of nonessential production, it was recognized that the extent of local utilization of displaced workers in new or converted plants measured the degree to which the change-over from nonessential to essential work was accomplished with the minimum of labor displacement. Introduction of comprehensive labor-market measures also necessitated development of fact-finding and enforcement machinery in both countries on a national, regional, and local basis. When shortages of workers for essential industries became acute, the employment service administration merged with the armament production administration and the department of labor on a national and regional basis for joint consideration and solution of production and labor-supply problems.

Nature of Labor Shortage

The armament program in Germany is considered as dating from Hitler's accession to power in the spring of 1933. At that time, reserves of unemployed workers numbered almost 6.4 million (chart 1).¹ Agricultural-labor shortages appeared as early as the spring of 1933, coinciding with the Nazi attempt, as the first step in armament, to increase agricultural production to the point of economic self-sufficiency. Local shortages of skilled building workers and skilled metal workers in smelting and rolling mills were not officially reported until 2 years later, in the spring of 1935. Except for seasonal increases during winter months, the number of unemployed in Germany steadily decreased to less than 74,000 in July 1939, and by October 1940, the last month for which data are available, it had shrunk to 32,000 persons, not more than one-tenth of whom were both employable and available for transfer to essential work. Reserves of unemployed agricultural workers diminished from 47,000 in September 1934 to 3,000 in May 1938. Reserves of unemployed metal workers were virtually exhausted early in 1937, less than 3 years after the first official reporting of local shortages in metal trades. In January 1939 the national labor shortage was estimated at 1 million. Private building projects, which had been put off for lack of labor, were again post-

¹ This figure includes 5.6 million reported unemployed and the estimated 709,000 reserves of "invisible unemployment."

poned. During 1940 these conditions were somewhat relieved by the importation of foreign workers and prisoners of war, but by the fall of 1941 the shortage had grown more acute, undoubtedly as a result of the military-labor demands of the Russian campaign. The unfavorable turn of events in the winter campaign in Russia introduced even greater labor scarcity and necessitated increased use of German women and foreign labor and the paring down of labor requirements in all branches of the national economy.

Chart 2.—Unemployment in Great Britain, January 1935—October 1941



Source: *Ministry of Labour Gazette*, Feb. 1935—July 1942.

The decrease in British unemployment was slower and less continuous. Between March 1936, when the first Defence Programme was adopted, and June 1942, the number of unemployed declined from approximately 1.9 million to 134,000 persons (chart 2). Local shortages of workers in skilled occupations in the construction and engineering (machinery) industries were reported a month after the armament program was instituted. These shortages continued during 1937 and early 1938 and spread to shipbuilding. They disappeared during the trade depression of 1938, when total unemployment increased markedly. The downward trend in unemployment was again interrupted in October 1939, after war was declared, as a result of the contraction of nonessential industries, including building, and dislocation in trade caused by evacuation of business from danger areas, diversion of shipping, and rationing of gasoline.

Following the increase in the drive for armament production which took place after the declaration of war in September 1939, competitive defense and nondefense employer bidding for skilled workers

in building trades increased. Offers of increased wages and the use of labor scouts augmented labor turn-over and the general disorganization of the labor market. By the spring of 1940, further increase in armament production, extensive factory construction, and expansion of the Army had nearly exhausted the reserves of skilled and semi-skilled metal and building trades workers. In April, registered unemployed workers in occupations in the metal industries² had fallen below 100,000. By July the number of unemployed in the building industry was also below 100,000, and shortages were developing in other essential industries, particularly mining and agriculture. Nevertheless, unemployment increased in the spring and summer of 1940 following more extensive curtailment of production in nonessential industries employing large numbers of women. The total number of unemployed workers, however, declined to 790,000 by November, when the Ministry of Labour made it known that a million more workers would be needed for the munitions industry by August 1941. By the spring of 1941, total reserves of the unemployed were approaching exhaustion. By June 1942, potential unemployed labor reserves had fallen to 106,600, and nearly 28,000 other unemployed persons had been declared unsuited for either full-time or normal industrial employment.

Administrative Patterns

Germany.—The Nazi government ushered in the armament program by compulsory cartelization of industry in the fall of 1933, 3 months after extensive building of roads, factories, and air-dromes had been started on a public works basis. By the end of 1934, compulsory trade associations existed in virtually all branches of economic activity. In the spring of 1933, labor organizations were transformed into a single government agency, the Labor Front, under the control of the National Socialist Party. Membership in this organization became compulsory for all workers.

Government control of production policy was inaugurated in the fall of 1934, when employer competition for skilled workers in the metal trades was beginning to disturb the continuity of employment in armament industries. In November

² Defined broadly to include all iron, steel, and nonferrous-metal products, machinery, shipbuilding, and other metal industries.

Chart 3.—*Labor-supply administration in Germany*¹

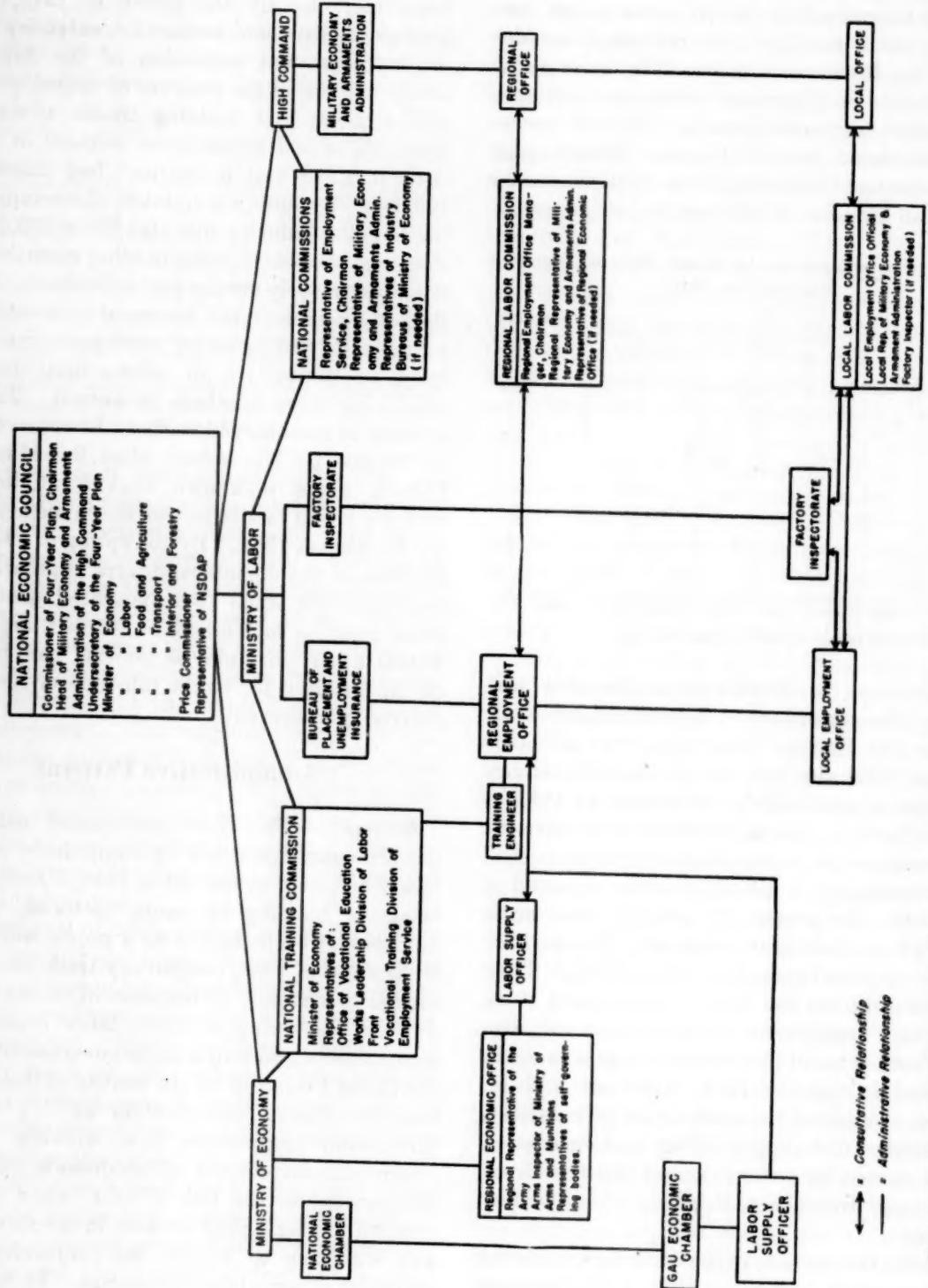


Chart represents only agencies concerned with problems of labor supply (as of April 1942).

of that year the Minister of Economy, under the first Four Year Plan, assumed direct supervision over the compulsory trade associations by setting up a National Economic Chamber and regional economic chambers to centralize economic planning. Private regional chambers of industry and commerce continued to function under the supervision of regional economic chambers.

The industry blueprint adopted in 1934 by the first Four Year Plan, to combat future scarcities of labor, raw materials, and power, called for development of large-scale mass production by concentrating armament efforts in large concerns, most of which were government operated. These concerns were to receive orders directly from a unified military-supply administration. As the necessity arose, labor and raw materials were to be transferred to them from less efficient smaller plants.

National inspection of working conditions and worker placement were in existence when the Nazi regime was inaugurated. The former was a function of the Ministry of Labor; the latter constituted an important part of the work of an autonomous organization, the National Bureau for Placement and Unemployment Insurance.

There was extensive development of these various government agencies at regional and local levels. The administrative structure of the Labor Front furnished the basic pattern of organization for controlled employer organizations. This pattern, starting with the smallest industrial unit—the plant group—provided for representation in local, regional, and national groups in all industries, both single and allied. Thus, within each region, employer and labor groups considered regional problems and policies. In the spring of 1935 the High Command established regional military economic offices for the selection and inspection of essential factories engaged on military orders. The employment service likewise had regional offices, and government officials—labor trustees—were in charge of drawing up collective rules regulating working conditions in each region.

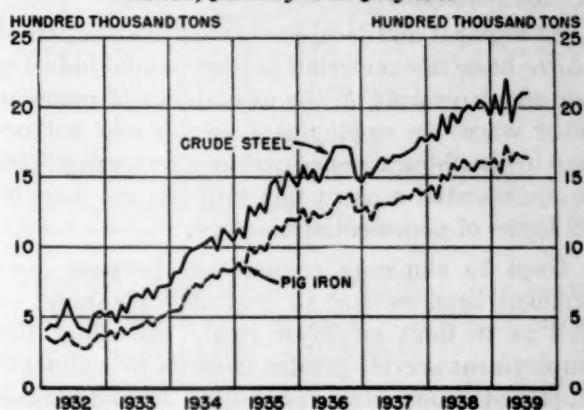
In many respects local administrative units

¹ The term *Bezirk*, here translated "region" although ordinarily translated "district," is used to describe administrative subdivisions of the national government which, although influenced by the boundaries of originally independent feudal states, were primarily determined on the basis of homogeneous economic activity and density of population. Despite their small size, these administrative units correspond to administrative regions in the United States.

paralleled regional organizations. The local employment service and local representatives of the Labor Front and of controlled employer organizations functioned in each community.

Administrative changes announced in October 1936 were the government's answer to the growing

Chart 4.—Iron and steel production in Germany, by month, January 1932–July 1939¹



¹ From March 1935, Saar included; from April 1938, Austria, Sudeten provinces, and Memel included.

Source: *Wirtschaft und Statistik*, 1932–39.

volume of unfilled vacancies and increasing scarcity of raw materials in blast furnaces and rolling mills, and the failure of iron and steel to maintain the previous rate of production (chart 4). The administration of the second Four Year Plan was designed to speed up lagging armament schedules by concentrating on achieving self-sufficiency of raw materials, increasing the effective utilization of the available labor supply, and extending government control of prices and raw materials. Administrative integration was sought by making the head of the National Bureau for Placement and Unemployment Insurance director of the Administrative Section of the Division of Labor Allocation in the second Four Year Plan.

At the end of 1936, when shortages of skilled metal workers became acute, government control over the distribution of industrial resources was extended. Supervisory offices undertook the direct allocation of both domestic and imported raw materials, and the employment service was authorized to introduce preferential allocation of labor in the metal industry.

In the spring of 1938, in the interests of simplified administration, the major functions of the second Four Year Plan, primarily concerned with

raw materials and industry control, were transferred to the Ministry of Economy. Henceforth, the functions of the second Four Year Plan were confined to the regulation of prices, forestry, and transportation, and the solution of food and labor-supply problems. The Ministry of Economy assumed the major responsibility for formulating and directing industrial policy and the distribution of raw materials.

At regional and local levels, the distribution of scarce basic raw materials in nonessential industry became dependent on the availability of requisite labor when the employment service was authorized to distribute assigned quotas of iron orders, first to nonessential construction projects and later to all forms of nonessential industry.

Need to eliminate competition between government agencies and to centralize planning, as well as to limit employer rights and allow the employment service greater freedom to reallocate employed labor, was responsible for additional streamlining of national industrial control in 1938 and 1939. In September 1939, following the declaration of war, the last vestige of competition between government departments was removed by transferring to the Ministry of Economy the remaining administrative functions of the second Four Year Plan. At the same time, a National Economic Council was established under the leadership of Reichsmarshal Hermann Göring to determine the policy of the war economy. This Council comprised the Minister of Economy, the Minister of Labor, the Minister of Food and Agriculture, the Minister of Transport, the Minister of Interior and Forestry, the Under Secretary of the second Four Year Plan administration, the Price Commissioner, the Chief of the Military Economy and Armaments Administration of the High Command, and a representative of the National Socialist Party.

There was also increased centralized direction of labor-supply policy. A national training committee was established, composed of the Minister of Economy and representatives of the Office of Vocational Education, the Works Leadership Division of the Labor Front, and the Vocational Guidance Division of the Employment Service. National commissions were formed to investigate labor requirements and special industrial problems of large concerns. These commissions, presided

over by a member of the national employment service administration, were composed of members from the national armaments administration and, when necessary, representatives from the appropriate industry department of the Ministry of Economy.

Increased integration and centralization of controls over the national economy were accompanied by increased decentralization of administration to permit greater local utilization of plant facilities, raw materials, and labor for armament production. A number of factors accounted for this change of policy: the costliness, waste, and problems of transportation which had resulted from the policy of wholesale transfer of raw materials and workers from small to large firms; the increasing need to assure maximum effective use of the available, especially the skilled, labor supply; the necessity of curtailing nonessential employment to secure additional workers for war industries; and the difficulty of enforcing the large-scale compulsory transfer of labor.

Regional administration in all fields of armament production was developed and coordinated to enable the resources of a given region to be fully explored and utilized before economic activity in the region was disturbed. Regional economic offices were opened by the Ministry of Economy to coordinate production problems of armament industries, cooperate in rationing raw materials, and administer consumption-goods rationing. Membership of these offices included regional representatives of the military inspection and armament administrations and of employer groups in industry. In important essential industries, a regional commissioner was appointed as the official representative of the national commissioner for each region, to work out special industry problems in cooperation with the regional economic office. Regional clearing offices were set up to spread armament orders among small concerns. Armament orders still continued to be placed directly by the military-supply administration in the case of the large "W" or essential plants. Regional distribution by the employment office of orders for basic scarce raw materials for nonessential construction work was also extended to include steel, lumber, and cement, as well as iron.

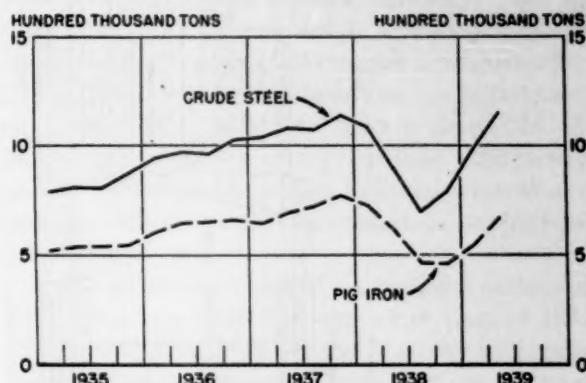
Regional coordination between armament labor-supply and production administrations was widely

developed. Regional commissions collected information and investigated conditions in plants with 200 or more workers to determine whether the labor demands were justified and whether labor-control regulations were being followed. These commissions were presided over by the placement officer of the regional employment office, or an especially experienced manager of the local employment office, and included regional members of the military-supply administration, and, if the occasion demanded, a representative of the regional economic office. Special labor-supply officers were also appointed for regional chambers of industry and commerce and the newly organized regional economic offices, to work out labor-supply problems with the regional employment offices. The regional labor trustee became head of the regional employment office, to coordinate control of wages and working conditions with the labor-distribution problem. Training engineers, responsible to the national training committee, were assigned to each regional employment office to direct the vocational training and retraining programs within the region.

Local community organization was similar. Local commissions, charged with the investigation of employers with 50-200 workers, differed from the regional commissions only by the addition, if the occasion demanded, of local factory inspectors and technical advisers. The local employment office manager likewise assumed direct control over working conditions by becoming the agent of the labor trustee.

In 1942, pressure to maintain military superiority and to free additional manpower for military needs was responsible for concentration and rationalization in industrial fields. National holding cartels under government supervision were established in the iron, coal, and textile industries. An Armaments Council, composed of representatives of the Army and industry, was set up for the purpose of improving industrial processes. The regional economic administration was simplified, to release labor both from the bureaucracy and from industry. The regional economic chambers were dissolved and replaced by *Gau* (National Socialist Party district) economic chambers. Many of the private chambers of industry and commerce were dissolved, and the others were amalgamated in the *Gau* economic chambers. At the same time, controls for distributing raw ma-

Chart 5.—Iron and steel production in Great Britain,
by quarter,¹ 1935-June 1939



¹ Average monthly figure for each quarter.

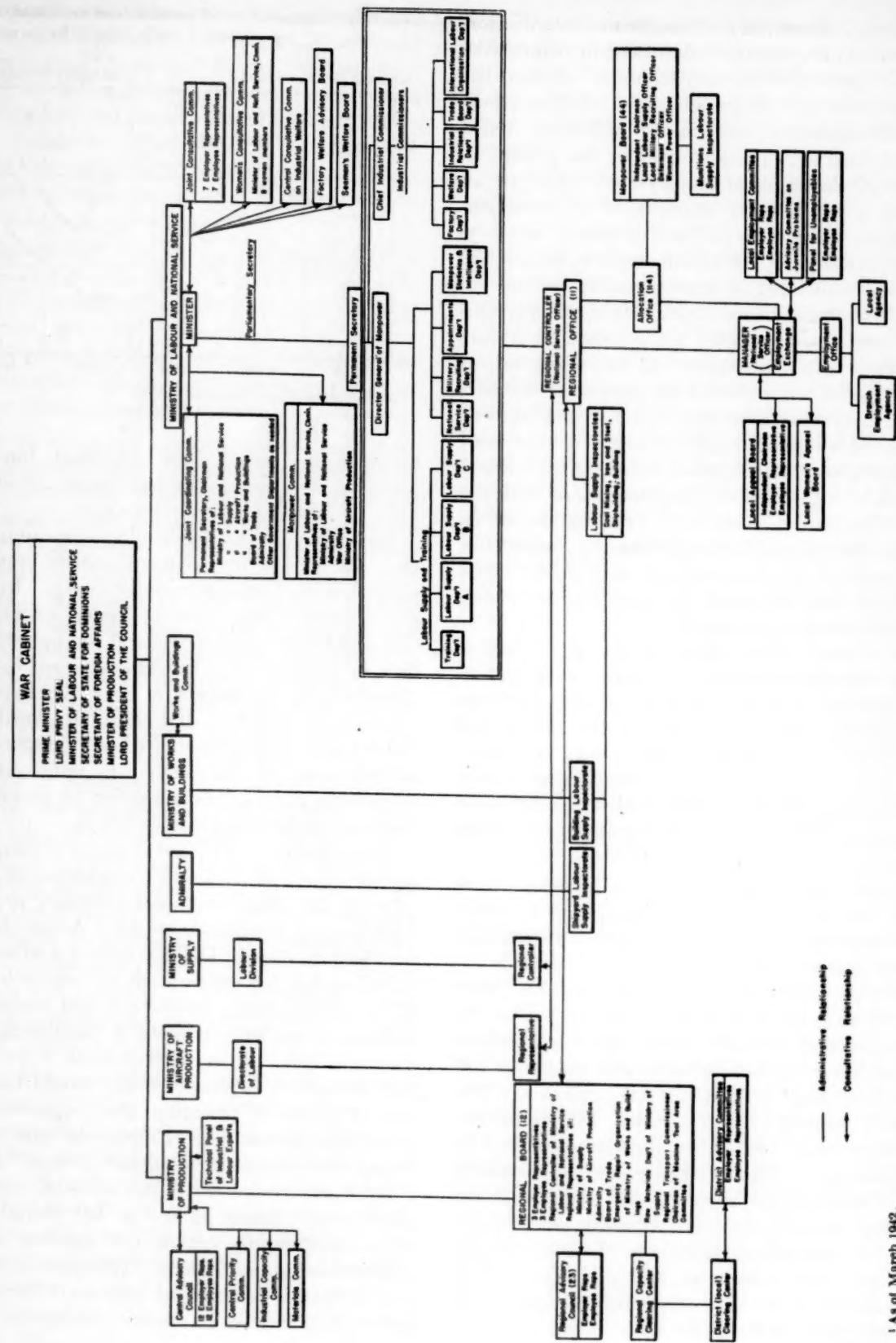
Source: *Ministry of Labour Gazette*, Feb. 1940.

terials to employers were simplified, but heavy penalties were set up for false reporting of either labor or raw-material requirements.

Developments in labor-allocation administration placed the employment service under the control of the National Socialist Party. In March the *Gauleiter* (party district leader) of Thuringia was appointed Deputy General for Labor Allocation, in which position he was authorized to control directly both the wage and labor-allocation divisions of the Ministry of Labor. In April, party district leaders were appointed as his deputies and, in this capacity, authorized to issue directions concerning labor-allocation policy to presidents of regional employment service offices.

Great Britain.—The government attempted to execute the first Defence Programme of March 1936 by the traditional parliamentary process of coordinating committee action. A new Minister for Co-ordination of Defence endeavored to obtain the wholehearted cooperation of various branches of the government, employers, and trade-unions without disturbing peacetime conditions. This program failed of accomplishment largely from lack of executive powers which would have permitted effective planning and organization of armament production. Employers were opposed to any disturbance of "business as usual" and distrustful of extension of government control of production. Craft unions in key metal trades were unwilling to permit job dilution or relax apprenticeship restrictions. The slight increase in iron and steel production between 1936 and the spring of 1938 and the decline during the general

Chart 6.—Labor-supply administration in Great Britain¹



As of March 1942.

recession in 1938, shown in chart 5, indicate the limited extent of war efforts during this period.

National control of armament production dates from the appointment of a Minister of Supply in July 1939, 5 years after the first demand for such action was made in the House of Commons and only 2 months before the outbreak of actual warfare. The new Minister received broad authority to control raw materials and the production of Army munitions. Specifically, his powers included the authority to regulate production, distribution, and prices in war plants, and in this connection to require necessary information from employers.

Efforts to control the distribution of armament-production resources were confined to an attempt to classify the relative importance of competing claims for scarce raw materials without centralized control. The Ministerial Priority Committee, to whom this function was assigned, was composed of the Minister for Co-ordination of Defence, the Minister of Supply, the First Lord of the Admiralty, the Secretary of State for War, the Secretary of State for Air, the President of the Board of Trade, the Minister of Labour, and the Financial Secretary of the Treasury. This form of priority organization, however, proved ineffectual, because each one of the participating government departments was free to determine the priority of a given raw material.

Government agencies were already functioning in a number of labor-market fields. The national employment service in the Ministry of Labour, with its divisional⁴ and local offices, was the official public placement system for workers covered by unemployment insurance; national factory-inspection laws were enforced by the Board of Trade; and national wage regulation in a number of industries was carried on by trade boards and joint statutory bodies.

Prior to the spring of 1940 there was little development in the national administration of labor-market problems except the Minister of Labour's assumption of direct control over the employment service, the enforcement of factory regulations, and the beginning of joint employer and worker participation in the formulation of labor-market policy. After the declaration of war the title of the Minister of Labour was

changed to Minister of Labour and National Service, and authority to enforce the Factory Acts was transferred to his Ministry. At the same time a National Joint Advisory Council, comprising 15 representatives each from employers and workers, was formed to advise the government on matters of interest to both groups. In the face of a national emergency, the trade-unions supported further extension of national control over essential industries and consented to support job break-down.

Regional development of the national armament administration started in the latter part of 1939. Area supply boards under the Ministry of Supply, designed to increase the participation of small firms in the program, began to be set up in regions roughly comparable, geographically, to the employment service divisions.

Early in 1940, armament-production policy was integrated at national and regional levels, and administration of raw-material priorities and labor supply was more highly centralized. In May the Ministerial Priority Committee was replaced by the Production Council which, concentrating on the production aspects of the armament program, continued to include the Minister of Supply, the First Lord of the Admiralty, the Minister of Aircraft Production, and the Minister of Labour and National Service, but did not include the Secretary of State for War, the President of the Board of Trade, or the Financial Secretary of the Treasury; added were the Minister of Agriculture, the Minister of Mines, and the Minister without Portfolio. The title of the body revealed a new emphasis on eliminating machine-tool and skilled-labor bottlenecks by spreading government contracts to small as well as large firms. In October a new department of the government, the Ministry of Works and Buildings, undertook the supervision of building materials and the construction industry to prevent material shortages from impeding armament construction.

The administration of raw-material priorities was centralized by giving controllers in a Central Priority Department of the Ministry of Supply the exclusive right to issue priority certificates for strategic raw materials to all consumers, including government departments. Nevertheless, efforts to direct the distribution of armament-production resources continued to be concentrated on preferential distribution of industrial resources on the

⁴ The division is an administrative subdivision of the national government and, despite its small size, corresponds to the region in the United States.

basis of committee decisions. The general direction of production priorities, on which raw-material preferentials were based, emanated from policy laid down by the War Cabinet under the Prime Minister, who was assisted by the Ministers of Labour and Supply, among others.

Under the chairmanship of the Minister of Labour and National Service, a Labour Supply Board, composed of the Parliamentary Secretary, four officers of the Ministry of Labour, and two industrialist and two labor representatives, became the policy-making body for placement, transfer, training, and dilution. The National Joint Advisory Council, changed to the Joint Consultative Committee with a membership of 14, became the official advisory committee on labor-supply policy. The training department of the Ministry of Labour and National Service and its attached inspectorate undertook the task of developing public training centers to meet war-production needs.

Administrative changes on a regional basis integrated previously independent government agencies concerned with developing armament production, placement, and labor inspection. Area boards were taken over by the Production Council. The controller of the divisional employment office was the chairman of each area board and, in this capacity, adjusted difficulties over priorities of contracts, especially in relation to competing labor demands. Other members of each area board included officers from the Admiralty, the Ministries of Aircraft Production and of Supply, and occasionally a representative of the Board of Trade; these members were individually responsible to their respective Ministries.

At first, area boards were advised by committees composed of an equal number of representatives from employer and trade-union organizations. Later, in the interest of more direct action, three representatives of the industrialists and three of the trade-unions became members of each board, and the advisory committees were called together merely for consultation.

Local labor-supply committees were also set up in each important munitions area to handle the regional labor-procurement problem. These committees, of which the manager of the local employment exchange was always a member, were composed of a chief and two other labor-supply officers, selected for their practical knowledge of

industrial conditions, and the local factory inspector and welfare officer. Labor-supply inspectors, frequently former union officials, were attached to the regional offices and worked under their direction. Special labor-supply committees were subsequently established to procure shipyard labor, and inspectors were assigned the task of procuring labor for special branches of military supplies. Building and dock labor-supply inspectorates were also appointed to do similar work but reported directly to their respective Ministries.

The number of frequently competing labor-supply inspectors in a community depended on the number of essential industries located therein. Their functions were many and various. They negotiated agreements with unions to transfer workers to other industries; examined employer labor demands in terms of the possibility of redistributing skilled labor, subdividing industrial processes, introducing job dilution and additional training; arranged for the recruitment and placement of trainees in training courses; and investigated infringements of labor control legislation and standard working conditions.

Recommendations of the labor-supply committee, based on inspectors' reports, were transmitted to the employer. In case the employer or worker objected to transfer, final decision was rendered by the divisional controller, in conjunction with the area board representative for the industry concerned; the decisions were based on priority directions issued by the Minister of Labour on the advice of the Labour Supply Board. The regional controller or one of his deputies or the employment exchange manager, as national service officers directly responsible to the Minister of Labour, were in charge of administrative arrangements for transferring workers from nonessential to essential work.

At the same time, the Ministry of Aircraft Production and the Ministry of Supply established their own labor-requirements divisions. In each region, representatives of these divisions were chiefly concerned with convincing the regional controller of the Ministry of Labour and National Service that the production activities under the control of their respective Ministries should have prior claim to available labor.

The Production Council, in which decisions were reached on a coordinating committee basis, was replaced in January 1941 by the Production

Executive under the chairmanship of the Minister of Labour and National Service. Membership in this body was limited to Cabinet Ministers directly concerned with the immediate need for further curtailment of nonessential industry to secure additional labor for war industries. In addition to the chairman, the Production Executive included the Minister of Supply, the Minister of Aircraft Production, the First Lord of the Admiralty, and the President of the Board of Trade. An Imports Executive, with substantially the same membership, was also established under the chairmanship of the Minister of Supply to control imports and the production of export goods. Decisions of these two executive bodies were coordinated by the Lord President's Committee, directly under the Prime Minister, of which both the Minister of Labour and the Minister of Supply were members. Ministers responsible for home security, fiscal policy, and post-war planning were also members of this Committee, which acted as the main coordinating medium for the War Cabinet.

During July 1941, criticisms were leveled at the lack of national planning, the lack of centralized control, the extent to which the various government departments, frequently working at cross purposes, competed for raw materials and labor, the existence of three separate series of priorities—production, raw materials, and transport—and the lack of any ordered system of labor priorities.

A number of new developments in the latter part of 1941 and the first half of 1942 indicated a trend in the direction of increased national planning and production control. The sphere of governmental control over industry, especially in employment fields, was widened by the application of the Essential Work Order to an increasing number of essential industries and government control of coal mining. As the first step toward centralized national planning, a Central Joint Advisory Committee was formed to advise the Production Executive and coordinate regional production problems.

The Central Priority Department was replaced by a Central Priority Committee under the Production Executive. The new committee was composed of the principal priority officers of the Ministries, under the jurisdiction of the Production Executive. These officers were now authorized to issue, in addition to the older form of

raw-material certificate based on the importance of special classes of munitions, emergency production certificates for specific contracts or projects whenever bottlenecks existed in a particular production field. In addition, raw materials began to be directly allocated for public building.

Centralization of production controls extended to regional levels. Area boards, with their names changed to regional boards, were made directly responsible to the Production Executive, and their membership was increased to represent all aspects of regional production problems. Their functions, however, remained mainly advisory. At this time the Regional Controller of the Ministry of Labour and National Service was removed from the chairmanship; henceforth the chairman was chosen usually from the employer representatives and the deputy chairman from the employee representatives. In their enlarged sphere of action, they advised on production problems and, in a few areas, supervised regional and local capacity clearing centers for spreading contracts.

During 1941 and early 1942, changes were made in labor-supply administration reflecting three main trends. These were: expansion and centralization of labor control, increased influence of official bodies as opposed to nonofficial groups, and greater emphasis on industrial efficiency. Early in 1941 the Labour Supply Board was dissolved and replaced by a Joint Coordinating Committee. In contrast to the Labour Supply Board, which was composed of equal numbers of official and nonofficial representatives, this Joint Coordinating Committee comprised the Minister of Labour and National Service as chairman, and representatives of government departments concerned in the war-production effort. This change indicated recognition of the need for national reconciliation of conflicting labor requirements, primarily on the basis of the relative importance to the war effort of different classes of products. In February 1942 the Manpower Committee, an interdepartmental committee attached to the Production Executive and dealing with military and civilian requirements, was transferred to the Ministry of Labour and National Service. Thus, a further step was taken toward centralizing labor-market control in this Ministry.

Direct control of the allocation of manpower between the armed forces and industry and between nonessential and essential industries was central-

ized in December 1941 at the regional level in 45 manpower boards. Utilizing the sanction of military conscription, the manpower boards, after an investigation by a labor-supply inspector, decided whether a worker should be placed in military or civilian service, and if the latter, whether he could not be more effectively used in more essential employment. Emphasis was placed on shifting workers from firms in which stocks had piled up or which were producing material of less immediate importance to more urgent work. In doing this, the boards took over the functions of the local labor-supply committees, which they replaced, and assumed complete responsibility for administering a system of exemption from military duty solely on the basis of individual deferment; they also conscripted women for military and civilian service. The labor-supply inspectorate in charge of military-supply fields was transferred from the regional offices to the manpower boards. There was a trend toward the appointment of production engineers, instead of former trade-union officials, as labor-supply inspectors.

In February 1942, the Production Executive was replaced by a Minister of Production. The functions and apparatus of the Production Executive were transferred to the Ministry, except for the functions dealing with labor, which were shifted to the Ministry of Labour and National Service. While the centralization of authority in the hands of a Minister represented an advantage over the committee technique, the Minister of Production in reality could exert control over other Ministers only insofar as he had the backing of the War Cabinet, on which—as well as on the Lord President's Committee—he replaced the Minister of Supply. His main accomplishment was the establishment in March of an advisory panel of industrialists and labor experts to assist with problems of technical efficiency.

In May the Minister of Production announced his intention to appoint regional controllers as permanent chairmen of the regional boards. This move did little to strengthen his executive power over the boards, since the regional controller was *primus inter pares*, in line with the customary committee procedure. No steps were taken to increase integration of labor supply and production control at the regional level, where action continued to be dependent on the influence which

the representatives of the different government departments could bring to bear on the regional employment office. There was an expansion of the regional and local capacity clearing centers in some areas.

Recruiting Problems

Identical labor-shortage problems in each country resulted in basically similar legislation. Yet rapidly changing conditions in the labor market were continually raising problems which required new forms of solution.

Safeguarding Labor Reserves

Germany's early attempts to redistribute the employed population in order to release men under 25 years of age for military training were relatively unsuccessful. The problem of skilled-labor allocation between military and civil requirements was ultimately solved by compiling a military occupational register, permitting indefinite deferment of individuals possessing strategic skills, and demobilizing soldiers in between campaigns for temporary employment in key shortage occupations. This technique could not be applied during the prolonged Russian campaign.

In Great Britain, the offices under the Ministry of Labour and National Service which handled recruiting and registration for military service at first based deferment primarily on a system of reserved occupations, but either the employer or the worker could apply for an individual deferment based on the worker's indispensability. Men in occupations considered essential for national defense were exempted by lowering the age in these occupations below which men could be drafted and by constantly revising reservation ages on the basis of changes in industrial demand. When it became necessary to utilize workers previously in utterly dissimilar occupations for training and placement in armament industries, the safeguarding system was revised to distinguish between a man's usual and his current occupation, and two age limits were fixed for many occupations—a lower age for a man engaged in work protected because of its national purpose and a higher age for a man engaged in unprotected work.

At the end of 1941 the system of reserved occupations for military service was entirely superseded by the more flexible method of individual deferment; each worker's indispensability was

reviewed before manpower boards composed of a labor-supply expert, the local employment service manager, the military recruiting officer in charge, and a womanpower officer. After December, men and women became liable to compulsory military service.

Absorption of the Unemployed

Absorption of large reserves of unemployed workers in armament industries was promoted in Germany by employing relief workers on armament construction projects and utilizing the unpaid services of the Labor Service, membership in which was compulsory for youths 18-25 years. The decline in unemployment was also accelerated by employment service clearance procedures, utilization in war production of related skills from other industries, rehabilitation of not fully employable groups, and the dovetailing of seasonal-labor demands.

From 1936 to 1940, when shortages in Great Britain were limited to key skilled occupations, no special attempts were made to utilize unemployed workers from other occupations in the armament program, or to recondition the "hard core" for permanent reemployment. When reserves of unemployed workers from essential occupations were approaching exhaustion in the summer of 1940, the absorption of unemployed reserves was promoted by using in war production the unemployed from related skills in printing, woodworking, building, and nonessential metal industries; the location of plant sites was correlated with reserves of unemployed; and review of the employability of totally unemployed persons by industry panels of employers and workers was inaugurated.

Training

Germany.—The importance of vocational training was recognized in Germany long before the advent of Hitler. There were two types of institutions for the training of skilled workers: trade schools and continuation schools. In independent craftsmen's shops, apprenticeship training was regulated and inspected by the Chamber of Handicrafts. In addition, the National Bureau of Placement and Unemployment Insurance provided vocational training for unemployed persons, who were entitled to receive 8 weeks of unemployment benefits during training.

Under the Nazi regime the responsibility for training the unemployed was shifted from the National Bureau to private industry in order to develop training for a specific job. Additional training needed to fit multi-skilled and unit-skilled unemployed workers for armament work was given on production machines in the plant. Continuation schools were used, however, to recondition the long-term unemployed workers for training within industry. In November 1936, when there were marked shortages of skilled workers in the metal and building trades, employers with 10 or more employees in these industries were required to train an assigned quota of apprentices or pay the National Bureau a sum equal to the cost of such training.

New developments in the training program occurred in 1937 and early 1938, when it became necessary to utilize the services of increasing numbers of inexperienced and unskilled workers for essential industries. In-service training began to be supplemented by public training. The continuation schools were dissolved, and the curriculum of both elementary and advanced trade schools was closely coordinated to furnish the required theoretical background for practical on-the-job training. More than 200 courses were opened in technical schools and other available suitable quarters, under the direction of the Labor Front. Courses in residence were supplemented by public correspondence courses especially designed for employed workers. Pressure on employers to train workers was likewise increased, while courses lasting 4-6 weeks and joint training centers for small firms were developed in many localities for training workers as unit-skilled operators. Employers who agreed to accept inexperienced workers for a 6-week unpaid probationary period were required, once such a period was satisfactorily completed, to guarantee necessary further training and regular employment for not less than 5 months.

Agricultural training was also developed. Under the direction of the National Food Estate, 2-year apprenticeship courses were opened on farms for youths leaving school. In connection with the obligation to accept a year's employment in agriculture, short 8-week agricultural training courses (with compensation furnished on the basis of need) were offered girls under 25.

When reserves of the unemployed were virtually absorbed, responsibility as well as obligation was placed on the employer to train new entrants in the labor market. In addition to furnishing the theoretical instruction needed for higher grades of skilled work, public training courses provided the introductory and specialized training needed to prepare youths, and special groups of inexperienced workers, for further training within industry. In September 1939, employers were required to provide systematic training for all grades of multi-skilled and unit-skilled occupations and general training in practical industrial problems. Special courses were opened for re-training adults and preparing physically handicapped workers for employment in war industries.

In the case of compulsory retraining outside the plant for a period of more than 3 days, the government at first assumed the entire responsibility for financing the trainee and his dependents. Later in 1940 the magnitude of the retraining program caused the government to shift part of the financial burden to the employer; plants for whose benefit the workers were being trained were required to share in the cost of the undertaking after 4 weeks of training had demonstrated the capacity of the trainee for his future employment.

Later, concessions were made to both employers and workers to facilitate the absorption of the residue of less desirable workers and improve training morale. Employers in the iron and steel industry were required to pay the trainee wages equal to the entrance wage rate for unskilled workers in the plant plus a flat sum for pocket money and food. Employers were completely relieved of the burden of financing training for workers difficult to place because of age or other handicaps, and the Army assumed the entire cost of training injured soldiers.

Exclusive control of vocational guidance and placement was given to the employment service in November 1935, early in the armament program. Vocational guidance, however, remained a voluntary service. Nevertheless, apprentices enjoyed considerable freedom in the matter of selection of place of training and place of employment after the completion of the training period, and the employment service customarily consulted the national compulsory trade association in regard to their placement.

When reserves of the unemployed began to be

exhausted, increasing government pressure appears to have been exerted on youths in connection with choice of a career. In March 1938, the parents of youths leaving school, and youths themselves, were required to report the fact to the employment service, and the following December the public school administration was held responsible for these reports. Nevertheless, officially, youths were still free, with parental consent, to choose their vocations, and articles in the *Reichsarbeitsblatt* in 1940 lamented the fact that mining and agriculture were not popular. After the spring of 1940 the movement of apprentices in essential industries was restricted, and the employment service exercised exclusive right of placing all grades of skilled trainees.

The training program has been extensive in scope. In 1938 a total of 3.3 million workers attended training centers. In the fall of 1940 it was estimated that Germany had retrained a million workers in the first war year. In view of the fact that an average of 560,000 boys left school each year in the period between 1937 and 1940, the minimum training potential has apparently been at least 1.5 million a year.

Great Britain.—Expansion of the training program was delayed until reserves of unemployed workers in essential industry occupations were virtually exhausted. Prior to the armament program, vocational training was closely linked with a system of general education in the form of technical, trade, and continuation schools. In addition, some 18 government training centers in depressed areas provided general practical training for unemployed workers. In these centers, courses were normally 6 months long, and during the period trainees ineligible for unemployment benefits received allowances on the basis of need. In March 1940, these courses were revised to concentrate on training semiskilled workers in the metal trades; the area of recruitment was extended from depressed areas to the whole country; and the age of admission was raised to include men over 45 years of age.

During the summer and fall of 1940, the number of government training centers was increased to 40, the 6 months' training period was shortened to 3-5 months, and shift systems were installed. Enrollment was open to employed as well as unemployed workers. Allowances for unemployed workers, ineligible for benefits, ceased to be based

on need; and supplemental payments for dependents were made to all trainees away from home. Shorter courses, generally 8 weeks long, were opened in 150 technical colleges to train inexperienced workers and to facilitate upgrading. Maintenance allowances and daily traveling expenses were paid to all trainees. As a result of these developments, the Ministry of Labour stated in October 1940 that it would not be long before the government training centers would be graduating from 250,000 to 300,000 trainees a year.

The government likewise encouraged the extension of employer training and upgrading among metal-trades employers not fully engaged in war work. Financial assistance was provided to cover the salaries of instructors and the cost of equipment for employers who undertook to train workers for other than their own use. The government reserved the right to determine and to inspect the number of trainees, the type of training, and the length of the course, and trainees received government allowances instead of wages.

The necessity of using increasing numbers of inexperienced workers and employing new entrants in the labor market, for the most part women, focused attention on the fact that training on the job was the most effective method of inducting these workers into industry. The close relationship between training, upgrading, and job dilution, and the growing pressure to achieve maximum effective utilization of each skilled worker, finally outweighed any previous fears that training programs in essential industries would materially hamper output. Adequate provision for employer training for their own use in industries became compulsory early in 1941. Soon four or five times more persons were being trained in machine-building and ordnance factories than in public training centers.

During the latter half of 1941 and first half of 1942, public training was remodeled to furnish the supplementary training needed for upgrading and developing supervisory abilities; prepare special-problem groups such as the handicapped for industrial employment; and provide all other new entrants with a brief general introduction to industrial problems and processes. In August 1941, government training centers and technical colleges opened advanced public training courses for employed workers in the machinist trades; while attending these courses the worker remained on

the employer's pay roll. In November, special courses were opened for training disabled persons for war production. In February 1942, the number of government training centers was consolidated from 39 to 24, and a short introductory course lasting 4-8 weeks replaced the normal 16-week course of more detailed instruction, which was reserved for specially selected candidates. Efforts to overcome already declining attendance in the public training centers had occurred as early as the previous July, when trainees 19 years of age and over attending public training courses in the machinist trades began to receive wages instead of an allowance.

Compulsory Controls

Germany.—The Nazi regime first introduced labor-control measures in order to achieve self-sufficiency in food production, but the substitution of the military term labor allocation (*Arbeitseinsatz*) for the traditional term labor exchange (*Arbeitsvermittlung*) in the first agricultural decree also marked the initiation of national planning in labor-supply fields.

Early in the spring of 1934 this decree attempted to solve the problem of agricultural-labor shortage by forbidding workers from rural communities to seek employment in a large metropolitan area; by giving the employment office control of hiring agricultural workers; and by requiring employers in such seasonal industries as coal mining, construction and allied trades, canning, hotels and restaurants, metal reduction, and semimanufactured metal products, to discharge former agricultural workers. Acute scarcity of harvest labor resulted in an attempt in August 1934 to reallocate age groups within industry to make workers under 25 readily available for harvest work and military service.

The enabling act of August 10, 1934, vested in the employment service exclusive authority for allocating and reallocating labor and collecting labor-market information. Specific application of this law in industry took effect in December of that year when skilled metal workers were required to have a permit from the employment office in the local community to accept work elsewhere. In November 1935 the employment office was given a monopoly of the placement function; other non-profit placement agencies were allowed to continue only with the permission of and under the direct

supervision of the president of the National Bureau.

In the fall of 1936 the employment service assumed control of the hiring of workers in skilled building and metal-trades occupations, and blind advertising was forbidden. The employment service was also authorized to allocate labor in the metal industry on the basis of preference, in succession, to armaments, food supply, domestic raw materials, exports, and housing;⁵ to negotiate for the return of skilled metal and construction workers employed outside their usual occupations; and to determine the quota of apprentices in the metal and construction industries for employers with 10 or more employees. To control voluntary quitting, legal requirements regarding notice⁶ were also utilized. If a worker left without notice, employers in essential industries were permitted to withhold the Work Book required for placement until the requisite notice period had expired.

When labor shortages were, for the most part, localized and limited to skilled-worker groups, the authority of the employment service was carefully circumscribed, and indirect rather than direct compulsion was applied. The right to compel skilled workers to return to their usual occupation was limited by the fact that a worker was not expected to change his job if the new job was temporary or less well paid, or if it involved separation from his family. Moreover, transfer to suitable skilled employment in the same plant was considered a solution of the problem. Likewise, when efforts were made to force agricultural workers back to the land, indirect means were used to accomplish this purpose by requiring employers in a number of industries to discharge employees formerly employed in agriculture, on the assumption that workers forced out of employment would return to agriculture.⁷

The one attempt at direct application of compulsory transfer in this early period appears to have been sparingly applied and finally abandoned in favor of indirect compulsion. The order of August 28, 1934, which had attempted industrial replacement of the under-25 by the over-40

⁵ Preferential allocation began after a plant engaged more than 10 employees per quarter.

⁶ Usually 2 weeks for wage earners and 1 month for salaried workers.

⁷ To some extent, previous agricultural-labor experience must have influenced this course of action. During the last war, efforts to force agricultural workers back to the land had failed. Voluntary inducements offered to the urban unemployed to accept farm work during the post-war period had likewise proved unsuccessful.

age group, was not widely enforced. Two years later, when a similar redistribution of age groups was attempted among employed salaried workers, all reference to compulsory transfer was carefully avoided. In the decree of November 7, 1936, employers were required to accept a suitable proportion of qualified workers over 40, and the indirect result—discharge of workers under 25—was not mentioned.

As reserves of unemployed workers from occupations similar or closely related to those in essential industries dwindled, employment service control of hiring was progressively extended. Starting first with seasonal and foreign migratory agricultural workers, this control was extended to all metal, construction, and building-materials workers and to chemical workers in three districts. Finally, the employment service was broadly authorized to assume exclusive control over apprentices and unpaid learners under 25 years of age and to order any employer to hire or discharge workers.

Transfer of labor from nonessential to essential fields was increasingly effected by direct resort to compulsion, but indirect measures continued to be used. In 1937 the employment service was permitted to revoke the licenses of peddlers and itinerant salesmen, a small group of about 218,000 persons, for training and transfer to essential armament work. Transfer was also effected by agreements negotiated with employers and by curtailment of the consumer-goods industries. In the summer of 1937, transfer of workers from nonessential to essential work was also encouraged by curtailment of partial employment in the textile industry and refusal of partial unemployment benefits to workers under 30 without dependents.

Dwindling of total unemployed reserves below 500,000 and full mobilization of the armed forces, coupled with the need to build the West Wall fortifications with the greatest possible speed and at the same time continue the expansion of armaments, forced increasing reliance on planned reallocation and control of employed workers. During 1938 and 1939, control of hiring was applied progressively to wage earners, salaried workers, works managers, and paid and unpaid learners, then extended to occupations in all industries, except agriculture, mining, and domestic service in homes with children under 14—

three fields of employment which workers were reluctant to enter. The employment service was likewise placed in direct control of voluntary quitting in all fields of employment for all wage earners from works managers to unpaid learners, with the exception of workers engaged in casual employment or earning insignificant amounts not covered by sickness insurance.

There was widespread recourse to compulsory transfer when exhaustion of reserves of the unemployed threatened. In June 1938 any German national could be transferred by the employment service for a limited period to do work of national importance on a compulsory service (*Dienstpflicht*) basis and, if necessary, could be required to undergo a period of vocational training. In October of that year, emergency compulsory service (*Notdienstpflicht*) could be required from German residents over 15 and under 70 years of age.⁸ Between December 1938 and March 1939 unlimited compulsory service was exacted from aliens⁹ as well as nationals; independent craftsmen and small retailers were retrained and transferred to essential work; and women under 25 were required to be employed for a year in agriculture or domestic service before entering any other occupational field. After the Polish campaign, military and compulsory service became interchangeable forms of activity, and employers were compelled to fulfill prescribed training requirements for all grades of skilled workers. Transfer within the same occupation was also widely used. Engineers in building, electrical, and machine-tool industries were transferred to testing and experimental laboratories and departments. Building and skilled metal workers were transferred freely from nonessential to essential work.

Although based on compulsory power, application of the right to transfer workers appears to have been primarily an administrative problem in which job qualifications and socio-economic conditions inevitably played an important role. Even during periods of extreme scarcity, employment office executives recognized an *ortsgebunden* (tied to the locality) group.

The allowances provided for conscripted workers included: transportation costs, traveling time, separation allowances for conscripts maintaining

⁸ Except certain official groups, principally public and National Socialist Party officials, lawyers, and employees in public service, for whom special consent was necessary.

⁹ Unless excluded by treaty or international law.

their dependents in the original home, special assistance for safeguarding the conscript's former standard of living, and, in cases of special hardship, an allowance equal to 3 months' wages.

In 1940, employment on a compulsory-service basis began to be limited to key occupations, for the most part in highly skilled categories where shortages were most acute. Between June 1938 and June 1940, 1.8 million persons, including 250,000 women, were employed on a compulsory-service basis, nearly 9 percent of the average number of employed workers; by October 1940, however, this group had declined to 350,000, less than 2 percent of the average volume of employment.¹⁰

Limitation of compulsory service to the exceptional cases was forced by the problem of keeping up worker morale. As one German writer expressed it, "A worker who must be kept at his job by force is of as little use as a hound who must be carried to the hunt." In November 1940 an official circular complained that building workers employed on a compulsory-service basis were returning to obtain work at home without the required permission from the employment office at the place of their last employment.

Compulsory employment apparently also encouraged inefficient production and employer hoarding of workers. Compulsory-labor requirements of employers in "W" factories were frequently exorbitant, and labor conscription often proved a free passport for inefficient production. In 1940, for instance, building contractors engaged on both nonessential and essential projects started workers on a compulsory-service basis on essential projects in the morning and in the afternoon shifted them to nonessential projects and requested additional workers for the essential projects.

By the end of 1940, widespread shut-down of consumer-goods industries by district economic offices, plant investigations by local and district commissions, and the elimination of partial unemployment, except as a temporary measure, were reported to have released 486,000 workers from pottery, glass, leather, and paper industries for retraining and employment in the metal industry. Workers unemployed as a result of these measures were not permitted to refuse work offered and

¹⁰ Based on average monthly employment of 20.2 million from July 1, 1938, to June 30, 1939.

draw the full amount of unemployment relief. Relief grants were reduced after a single refusal and denied if the refusal was repeated.

During 1941 and the first half of 1942, dearth of labor reserves of any description led to a tightening of compulsory controls. Despite the disadvantages of this form of service, the volume of labor conscription increased. As compared with the 350,000 conscripts of October 1940, there were 630,000 persons working on a conscript basis in January 1942. In March 1942, employers submitting false reports on their labor forces and labor requirements were made subject to imprisonment, or death in especially serious cases. Unlimited fines might also be levied on such employers. A decree and subsequent regulation in May and June, effective only until October, permitted increased dovetailing of industrial and military skilled-labor requirements by broadening the scope of employment service separation control and compelling increased combing out of industry during the summer campaign season. Employment service permission was required for all types of separation in selected war industries, and employers in these fields had to inform the employment service of all men, except youths under 18, available for transfer elsewhere.

Great Britain.—Prior to the spring of 1940, labor-market control measures in Great Britain took two forms: increased centralized direction of labor-market policy by the national government and an attempt to check the increased labor turnover in key skilled trades, thus assuring more effective utilization of the limited supply of workers in these occupations. After September 1939, when war was declared, the Minister of Labour and National Service assumed direct administrative control of the national employment system, which had been functioning since 1909, and took over the factory inspection powers of the Secretary of State. In this capacity he was authorized to control advertisement for workers and to control their "engagement or reengagement," provided the employers and the workers concerned approved. This measure, however, was applied in April 1940 only to advertising for key skilled occupations—carpenters, joiners, and bricklayers—in the building and civil-engineering contracting (construction) industry.

Late in 1939 and early in 1940, when shortages of unemployed skilled workers were becoming

acute in metal and building trades, transfer from the same or closely related trades in nonessential industries was either indirectly promoted by the curtailment of nonessential work or effected purely on a voluntary basis. In October an agreement between employers and unions in the dock industry established a system of voluntary intra-industry transfer. Men selected from lists of volunteers were transferred from port to port through the machinery of the employment exchanges under the direction of the local port joint committee, and their expenses, including traveling allowance, were paid by the government.

The need to increase armament production, despite the exhausted supply of qualified skilled metal and building-trades workers, was responsible for section 58a of Defence (General) Regulations of May 22, 1940, which authorized the Minister of Labour and National Service to collect information from employers and workers and to inspect employers' premises. He was also authorized, in the interests of national defense, to regulate engagement of workers by employers and "to direct any person to perform any service that in his opinion he was capable of performing," provided the Minister had regard for the usual wage rates and conditions of service in the district. However, although armed with compulsory powers, the Minister continued to advocate and make arrangements for voluntary transfer and indirect compulsion, and local labor-supply inspectors were in general instructed to proceed by agreement and not to use their compulsory powers unless absolutely necessary.

During the remainder of 1940 and early 1941, transfer resulting from the administrative process of combing out industry, under the direction of the labor-supply committee, was facilitated by a number of measures. In July 1940 all engineers and chemists were required to register at the employment service. In August the same regulation was applied to workers presently or formerly employed in certain multi-skilled and unit-skilled occupations in the metal industry not engaged in armament production—except shipbuilding and repair—and, in February 1941, to former shipbuilding workers.

To facilitate the transfer of workers into essential industry, the Minister of Labour and National Service instituted a system of government transfer allowances to be paid to all workers transferring

through the employment service except those receiving comparable allowances under union agreements. Such government aids included fare to the place of employment when it was located beyond daily commuting distance, fares for dependents if they moved to the new area, household removal expenses in cases of need, a traveling time allowance, and a weekly lodging allowance to workers whose dependents remained in the area from which they transferred. In this period, also, "suitable work" was redefined to disqualify workers for unemployment benefits if work of national importance was refused merely because the worker had previously enjoyed better working conditions or, after 2 or more weeks of unemployment, because such work was not in his usual occupation. Despite the emphasis on voluntary methods, however, problems apparently arose as a result of differences in wage rates and working conditions in the same occupation, and failure to use transferred workers to the best advantage.

During 1940, open resort to compulsion was confined to the relatively simple problem of intra-industry transfer. In June the voluntary transfer system in the dock industry became compulsory; port labor inspectors supervised and controlled the system, in which employers were also required to participate.

In the same month, exclusive control by the employment service of hiring was specifically applied to workers in metal-manufacturing and repair (except shipbuilding and ship repairing) and construction industries. In addition, employers were forbidden to hire workers who were normally employed in agriculture or coal mining. In October, private building operations involving an estimated outlay of £500 or more were required to be licensed by the Office of Public Works.

When the total reserves of unemployed had fallen below 500,000 in the spring of 1941, new powers were conferred on the Minister of Labour and National Service, and employment service control over the labor market was further extended. In March the Minister was authorized to control wages, working conditions, welfare, and training, as well as hiring, separation, and the contract of employment in essential undertakings.¹¹

In such undertakings, employees were guaran-

teed a minimum weekly wage based on normal working hours exclusive of overtime¹² and were assured standard conditions of employment and satisfactory transportation arrangements, housing, and food. In these establishments, employers were also required to provide adequate training facilities for their workers. The employees could not leave their employment without consent of the employment service. In essential industries, national service officers were now specifically authorized to direct workers to suitable employment and handle cases of absenteeism without leave or reasonable excuse, or continued tardiness. Appeal from such decisions was permitted, but the local appeal board could only make recommendations. The national service officer retained the right of final decision.

At the same time, compulsory registration for employment on work of essential importance was required of all British subjects except persons rendering full-time service in the armed forces, and the previous allowances were extended. Registration was introduced by age groups, and by July 1942 all men up to the age of 48 and women up to age 41 had been registered. A flat settling-in allowance was granted single workers without dependents, to cover the cost of transferring to the new area. Workers whose dependents moved with them received a continuing liability allowance to meet such contractual liabilities as mortgage interest, rent, and furniture storage in the original home area. Late in the compulsory period (May 1942) the employment service started to pay part of the expenses of semiannual visits home for transferred workers.

By July 1942 the essential work orders in war production and closely related fields had been applied to the shipbuilding and ship repairing, engineering (machinery), maritime, coal mining, building and civil engineering (construction), iron and steel, agriculture (Scotland), and railway industries. In these industries, except agriculture, plants were "scheduled" individually after negotiations with employers and trade-union officials on minimum wage and working conditions, in many cases a slow and time-consuming process. Employers who refused to obey the regulations were threatened with descheduling or removal from their management positions. Workers who refused

¹¹ The original "scheduling" of every employee was found to be too rigid, and exceptions were made later for special classes, mostly seasonal employees.

¹² If work was available only after normal working hours, the worker received the overtime rate for such work.

to follow directions issued under these orders were prosecuted, fined, and imprisoned.

Pressure to obtain additional labor reserves during 1941, as the remaining reserves of unemployed were exhausted, also led to extensive curtailment of nonessential industry by closing down and concentrating consumer-goods manufacturing in "nucleus firms." In each industry the degree of concentration was decided by the Board of Trade, but the initiation of the system was left to individual firms. Up to January 1942, 2,100 establishments had been closed and 138,000 workers released from textile, boot and shoe, pottery, and other consumer-goods industries. As far as possible, factors which determined this action comprised: the proximity of war-production factories, the amount of training required by workers who were released, and the possibilities of localizing plant facilities for essential production or storage of food or war supplies. However, the failure to calculate minimum needs or to require concentration in the more efficient firms caused ineffective concentration in some fields and over-concentration in others, and inability to achieve a higher output per man in nucleus firms. Also, failure to extend employment service control of hiring over fields of displaced labor resulted in considerable labor loss for the war effort. In cotton textiles alone, according to the *Manchester Guardian* of October 31, 1941, about 8,000 women, nearly a fifth of the total displaced group, did not go into any other work. In addition, a large number of persons found employment in other nonessential fields. To prevent further loss of labor, the threat to invoke the compulsory transfer power of section 58a was sometimes used in negotiations with unions for the transfer of workers from nonessential to essential work.

As a consequence, manpower boards were set up in December 1941 to control the distribution of labor between military and civilian service, and between essential and nonessential industries. In addition, the conscription power was extended over women in the 20-30 age group, and they were required to obtain employment only through the employment service. In January 1942 the Essential Work Order was applied to the concentrated cotton-textile industry in order to prevent leakage of workers into other nonessential fields.

Increased manpower demands for industry and

the armed forces led to pressure for more efficient use of skilled men already in military service, and reduction of full-time civilian defense staffs. In addition, compulsory controls were relaxed in order to encourage greater use of part-time workers. In March 1942, women over 31 were exempted from the advertising and hiring provisions of the Restriction on Engagement Order. In April, persons who ordinarily did not work more than 30 hours a week were excluded from the provisions of the Essential Work Order, and unemployment insurance contributions were no longer required for them.

Improved Industrial Techniques

Germany.—After September 1939, Germany intensified efforts to require employers to rationalize production by introducing mass-production methods. Such methods included standardization of output, machines, and machine tools; relaxation of precision demands; increased introduction of automatic machine and conveyor systems; and increased emphasis upon job breakdown, upgrading, and training. Standardization of worker dwellings permitted mass production in building. In 1942 the efforts towards rationalization and standardization were furthered by the creation of "main committees" and "industrial rings" of engineers for major products produced on a mass basis. The committees attempted to improve the methods by which the product was manufactured, while the rings were concerned with standardizing the product in its various uses.

In personnel fields new techniques were developed by the special commissions to determine, in connection with the need for additional upgrading and training, what constituted a sound ratio of skilled to unskilled workers. Such techniques included comparing the number of employed workers with the status of orders and with the rate of labor turn-over. As far as possible, skilled-worker hours were computed and compared with the number of employees, and the nature and requirements of unfinished and future orders were investigated.

The need to economize in the employment of skilled workers, as well as the interest in increasing the continuity of employment in the armament industry, was responsible for widespread stabilization of employment. Partial employment in the

textile industry was considered uneconomical as early as January 1938 when employers were required to employ only a sufficient number of workers to ensure all employees a 40-hour weekly average of employment per year. In 1939, workers in the building industry were formed into a national association of building craftsmen to permit centralized clearance and nation-wide transfer to essential work. After May 1940, partial employment was not permitted in any industry except as a temporary measure. The practice of dovetailing agricultural and industrial demands was also applied to armament-labor needs by utilizing qualified unemployed workers in armament industries during the period of seasonal unemployment.

Great Britain.—Early in the armament program, improved techniques were introduced in industry primarily to economize in the use of skilled workers by breaking down jobs to permit a more extensive use of unit-skilled labor. Prior to the virtual exhaustion of unemployed reserves in 1941, job break-down was accomplished by a collective-bargaining process that frequently involved prolonged negotiation between local employers and union representatives, a process often accompanied by endless discussions in union meetings. Skilled workers in the metal trades were loath to relax apprenticeship restrictions and surrender job monopolies. Negotiations begun in 1938 between trade-unions and employers in the engineering (machinery) industry were not concluded in any union until May 1939, shortly before the outbreak of war. During 1940, dilution agreements negotiated in both essential and nonessential industries permitted semiskilled and inexperienced workers to be employed on essential work formerly reserved for skilled workers and, in most cases, allowed women to be substituted for men on both essential and nonessential work. Progress in the direction of general job break-down in essential industries, however, was slow because of union lines of demarcation and union desire to retain craft privileges.

Virtual exhaustion of unemployed reserves increased the pressure to extend, standardize, and hasten the introduction of more effective utilization of skills. The Essential Work Order of March 1941 compelled employers engaged on essential work to carry out the recommendations of labor-supply committees based on labor-supply

inspectors' reports regarding the subdivision of processes, and the upgrading and training of workers. Application of this order, however, was considerably delayed by adherence to the bargaining approach of preceding the introduction of government control in each essential concern by negotiating minimum wage rates and other working conditions with the employer and the union. Moreover, the unions, in many instances, opposed rationalization of production processes.

Before the manpower boards were established at the end of 1941, despite increasing replacement of former trade-unionists by technical engineers, job break-down was not equally developed in all regions. Moreover, faulty planning and organization in many war-production plants accounted for extensive work shortages, idle machines, and inefficient industrial operation. Efforts to remedy these conditions in essential industries resulted in the introduction of improved processes in ship construction, and in the concentration of coal-mine production. Early in 1942 the general introduction of improved techniques was stimulated by making available to industry the services of technical industrial experts, in a national advisory committee attached to the Ministry of Production, and by providing machinery for the utilization of employer and worker suggestions through the establishment of joint production committees in each plant.

Great Britain's efforts to stabilize employment as a method of more effective labor utilization date from the establishment, in the fall of 1939, of the voluntary intra-industry transfer system to increase mobility of dock labor. Early in 1940, employment in the construction industry was stabilized by national registration of available reserves, central clearance in special clearing houses, and a minimum guarantee of 30 hours of employment a week. Vanishing reserves and government guarantee of a minimum wage in controlled essential industries prompted increasing efforts in this direction. Application of the Essential Work Order to a new industry was accompanied in each case by the introduction of a stabilization plan suited to the unemployment problem peculiar to the industry concerned.

The intra-industry dock-labor system became the National Dock Labour Corporation, Ltd., in 1941, a corporation composed of employers in the industry formed to direct and finance, with the

help of the government, rapid handling of goods and turn-around of ships by providing for the continuous employment of casual dock labor. The new system, introduced port by port, compelled employers to engage labor needed for peak demands from port labor-reserve pools, members of which received a minimum weekly wage. In the maritime industry, continuity of employment under the control of the Admiralty was promoted by a national maritime reserve pool. The seaman who was not reengaged by his former employer at the end of the voyage passed automatically into a national merchant-navy reserve pool controlled by the Shipping Federation, Ltd.; as a member of this pool, he was required to accept employment or training, as directed, but received a minimum wage per week between voyages. In connection with the curtailment of nonessential production, government policy prescribed the elimination of partial employment. In addition, "mobile labor squads" of skilled workers were organized in construction and ordnance production to complete special projects or train unskilled staffs. Dovetailing of seasonal-labor demands was promoted in the printing and construction industries.

New Entrants

Germany.—When there were still reserves of unemployed workers attached to essential industries, new entrants in the labor market, aside from the youths who annually entered industry, were limited to foreign migratory agricultural workers and retired skilled metal and construction workers returning to work at the behest of their former employer or in response to improved earning opportunities.

As reserves of labor from essential industries dwindled, more extensive, as well as more forceful, methods of recruiting new entrants were first adopted in agriculture. During 1936 and 1937, special inducements—including cost of transportation and equipment, and compensation on the basis of need—were used to recruit girls under 25 not only from the unemployed but also from the school-leaving group and the leisure class, for a year's agricultural employment. Later, in 1938, a year of employment in agriculture or domestic service was required of girls employed or desiring employment in the textile or tobacco industries. Utilization of foreign migratory labor in agriculture likewise increased. Between 1933 and 1937

the number of foreigners employed in Germany increased nearly 1.2 million. Convicts began to be used in soil conservation.

New recruits, including women whose employment was formerly restricted, convicts, and foreign laborers, began to be used in other industries, and after 1938, compulsion was primarily relied upon to obtain their services. Women and girls were first substituted for men in unit-skilled occupations in the metal industry in 1938. However, by July 1940, although female employment in metal trades had increased 59 percent as compared with July 1938, the largest proportion of women still continued to be employed in consumer-goods and service industries and in agriculture. The total number of employed women increased from 6.9 million in July 1939 to 9.4 million at the beginning of 1942.

By 1940—following agreements with countries allied to Germany, the application of compulsory service to occupied territory, and utilization of prisoners of war—foreign labor became an important source of labor reserves. Special efforts were made to utilize their skills in industry, even at the risk of lowered production. At the beginning of 1941, 52 percent of this group were used in agriculture, as compared with 95 percent at the beginning of 1940. By 1942 an estimated minimum of 5 million foreigners including war prisoners were employed in Germany. Thus, of a total of 24 million employed persons, women and foreigners constituted approximately 14.4 million.

Other less important sources of labor include minors, pensioners, and Jews. After September 1939, high-school students of 16 years and over were required to work on farms during the summer vacation, and children 10–16 years old were permitted to be employed for light agricultural work. Early in 1939 relatively healthy retired workers were deprived of old-age benefits and set to work in special metal workshops. Jews were reemployed in road building.

Great Britain.—For the most part, new entrants in the labor market under the armament program were women. Unemployment among women declined slightly during 1937, increased markedly in 1938, and again declined slowly in 1939 as opportunities for customary employment increased in the textile and clothing industries and in clerical operations connected with armament, and as new fields of employment began to develop.

During 1940, dilution agreements permitting women to replace men in many essential and non-essential industries, on the basis of equal pay for equal work, cleared the way for the entrance of women into munitions and into consumer fields depleted by the draft. Although women slowly entered these fields of employment, the number of unemployed women changed little and even increased slightly during July and October, following widespread curtailment of consumer-goods industries.

The Registration for Employment Order of March 1941, which required all British nationals to register for employment, was directly aimed at women not regularly attached to the labor market. In the handling of early registrations under this order, interviews were restricted to the mobile group which comprised unoccupied women who were single or married but without young children and engaged only in household duties or in unpaid or part-time employment, as well as unemployed women and women who volunteered for transfer to essential work. In December 1941, conscription of women for military or civilian service was introduced. This power was applied only to the 20-30 age group, which was also required to obtain employment of any type through the employment service.

By March 1942, women were entering industry at the rate of 150,000 a month, and an increase of 1.5 million women over pre-war employment was reported in munitions and other vital war industries. Increased efforts were also made to overcome difficulties experienced by employed women in connection with shopping and the care of small children. By March there were 300 nurseries in operation, with 700 more in preparation. The lack of sufficient nurseries, however, continued to force many women to use the less satisfactory method of "private minders." Two measures were introduced to promote part-time employment. In March, the Restriction on Engagement Order was waived to permit employers to recruit and hire directly women over 31 years. In April, employers were relieved of the requirement to pay unemployment insurance contributions for part-time work.

Child labor also increased under the armament program. Laws regulating the employment of minors were relaxed shortly after the outbreak of war by lowering from 15 to 14 the age limit for

compulsory school attendance. In December 1941, compulsory registration of boys and girls aged 16-18 was provided for in order to channel them more effectively into essential service. In May 1942, local education authorities were permitted to release children over 12 from school for seasonal employment in agriculture, and special harvest camps were established.

Acute need for labor in the fall of 1941 and first half of 1942 resulted in the increased utilization of handicapped workers and men from the armed forces in essential employment. Efforts to place physically disabled and deaf and dumb persons were intensified. Soldiers were released from military service to bring in the harvest.

Other Economic Factors

Price and wage policy.—In Germany, price control through a policy of regulating cartel industry prices by means of curtailed production actually antedated the Nazi regime. Progressive extension of price control to all fields of national economy paralleled the widening of labor-shortage areas. Government price control in the consumption-goods industry was introduced in the summer of 1934, with a price-fixing policy designed to bring domestic import prices in close agreement with the world market. Enforced cartelization of unorganized branches of production under government control brought the remaining domestic prices into line. In the fall of 1936, price increases were prohibited, except those needed to compensate rises in the costs of raw materials, and prices were fixed in each industry. Elaborate cost-accounting methods were used to prevent price increases from multiplying on the snowball principle as articles passed from the factory to the retail seller.

The stabilizing effect of Germany's policy on the cost of living is apparent from chart 7. Despite extensive price control, however, there was a gradual but continuous rise during the period 1933-42 in the cost of living. This rise was variously attributed to rationing, consumer preference for higher-priced goods, profiteering, and an increase in prices for raw materials.

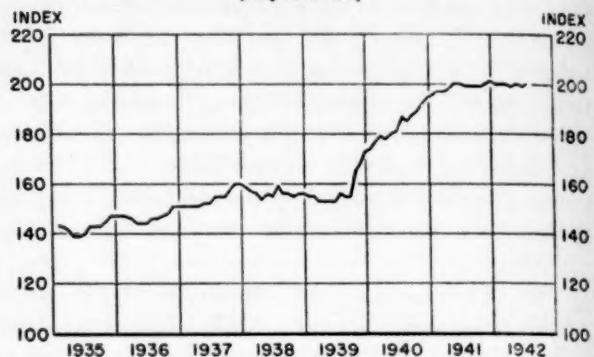
Maintenance of a completely stable wage policy in German proved difficult. Introduced in 1934, government regulation of wages was effected first through granting authority to the labor trustee to fix minimum wage rates in the

collective rules that replaced trade-union agreements; through extending his authority in 1936 to the supervision of wages and conditions of employment; and again, in June 1938, to the fixing of maximum wage rates. However, these measures did not prevent employers from increasing wages through various means, such as promoting workers to higher-paid jobs, increasing family allowances, and paying social insurance contributions. Accordingly, controls were made more drastic in 1939 by the introduction of severe penalties for contravention, and the suspension of overtime pay for night, Sunday, and holiday work. In the interest of increasing output, the government, although maintaining the policy of stable wages, made increasing concessions to workers in the form of extra pay above the normal rate. In September 1940 all restrictions on overtime pay were removed. During 1941 and 1942 there was increased use of piece rates as an incentive to increased output. In addition, employers were empowered to reduce the wages of inefficient workers.

Wage rates in British industries were determined for the most part by collective agreements between workers and employers prior to 1939. During 1939 and 1940, marked increase in wage rates, primarily in armament industries, stimulated labor turn-over and increased the dislocation of the labor market. In large part, the increase in wages paralleled the increase in the cost of living. Apparently, neither the control of hiring by the employment service in the metal and building trades during 1940 nor the 100-percent excess-profits tax passed in October 1939 exerted

Chart 8.—Monthly index of the cost of living in Great Britain, January 1935—June 1942

[July 1914 = 100]



Source: *Ministry of Labour Gazette*, July 1942.

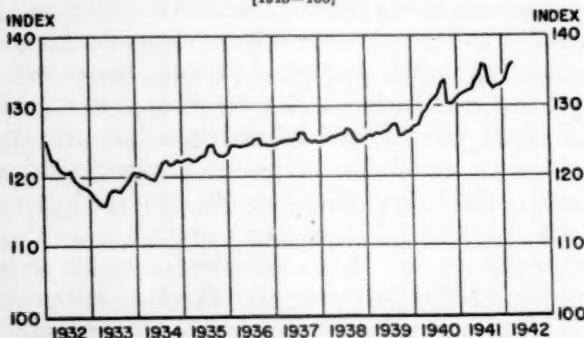
control over employers' offering recruiting inducements in the form of higher wages.

The price-stabilization policy of the British Government, put into effect in August 1941, was an endeavor to prevent further rise in the cost-of-living index apart from minor seasonal changes (chart 8). A previous law, the Prices of Goods Act of December 1940, had authorized the Board of Trade to limit price rises of specific commodities above the pre-war level to the increase in the costs of producing and selling. This power was extended in the Goods and Services Act of 1941 to permit direct fixing of maximum prices of specified commodities at any stage of production or distribution, and to fix maximum charges for the performance of specified services as well as for goods.

The government, however, did not intend to use this law to regulate wages. The traditional practice of determining wage rates by free negotiations between employers and trade-unions was continued. Despite trade-union opposition, however, pressure, even from labor representatives, to suspend collective bargaining and stabilize wages gained momentum. The proponents of this policy pointed out that there was an urgent need to remove wage discrepancies which seriously impeded the flow of recruits into war work, to step up marginal earnings of the lower grades of war workers, and to scale down abnormally high piece-rate earnings. There was also need to stabilize prices, including the price of labor, in order to ward off inflation. In the single field of agriculture the raising of government-determined minimum wage rates had the effect of reducing

Chart 7.—Monthly index of the cost of living in Germany, January 1932—March 1942

[1913 = 100]



Source: *Statistisches Jahrbuch, 1938; Wirtschaft und Statistik*, Jan. 1939—Apr. 1942.

Great
INDEX
220
200
180
160
140
120
100

ace-

tish
was
ost-
ges
ods
ard
ties
the
was
941
of
ion
for
as

to
nal
go-
ns
on,
res,
size
of
ent
peri-
work,
des
lly
to
in
of
med
ng

ity

the unfavorable differential between agricultural and industrial wages.

Late in 1941 and during the first half of 1942, added steps were taken both to eliminate some of the outstanding problems of wage-rate differentials and to increase production by offering additional wage incentives in government-controlled areas. Government action resulted in increases in national minimum wage rates in agriculture (November 1941) and coal mining (June 1942). The establishment (December 1941) of national wage rates for boys in the building industry served to modify the disproportionately high wage rates of beginners in relation to those of experienced workers. In the building and civil-engineering (construction) industries, piece rates were substituted for time rates as a method of increasing output.

Hour policy.—The normal working schedule in Germany was an 8-hour day and a 48-hour week in 1933. When the building and metal industries began to be handicapped by shortages of skilled workers, great flexibility was introduced in the 8-hour law. With a special permit from the local labor inspector, the working day could be extended to 10 hours on work of national importance. By 1938, the 10-hour day was general. After complete mobilization in September 1939, all restrictions on normal hours of work for adult men were abolished. However, less than 3 months after this policy was adopted, it was generally recognized that unlimited work schedules defeated their purpose, and extension of the working day beyond 10 hours, except in connection with alternation of shifts, was forbidden. Male workers over 18 were permitted to work 12 hours only if such schedule included regular and considerable periods of waiting for work.

In Great Britain, during the period when labor shortages were primarily confined to skilled-labor groups, unlimited extension of working hours was chiefly relied upon to increase armament production. After the declaration of war, and especially after the evacuation of Dunkirk, working hours for adult men in armament industries averaged 70-80 in a 7-day week. The Factory Acts were relaxed to permit night work in a 60-hour week for women and 16-year-old youths, and a 48-hour week for the 14-16 year group. This policy resulted in a rise in the cost and a decline in the volume of production, as well as marked increases in absenteeism,

tardiness, and sickness. Early in 1940 the weekly work schedule was reduced to 55 or 56 hours by substituting shift for overtime work and by introducing rest periods, and the factory acts were reapplied to enforce a 48-hour week and limit night work for women and minors except in cases of national emergency.

Increasingly acute general labor shortages during 1941 and the first half of 1942 did not change the policy of keeping hours within reasonable limits. In fact, there was increased recognition of the necessity for holidays as a means of combating absenteeism. The production drive in armaments was accomplished primarily by continuous operation on a shift basis with double shifts on Sunday, and not by the extension of overtime.

Worker Safeguard Policy

Germany.—In general, the Nazi regime has not recognized worker rights in industry. At first, worker representation on policy-making bodies within industry continued to be permitted under the supervision of the labor trustee, but such representation had little if any meaning after 1934, when worker representatives in the Labor Front were appointed instead of elected.

The German war economy tended to restrict, if not to cancel, the right of appeal that remained to the German workers after the dissolution of the trade-unions. No provision was made for appeal machinery other than the right of the individual worker to lodge a complaint with the second Four Year Plan. The right of appeal in case of unjustified termination, which was recognized in the law of January 20, 1934, was severely limited when individual claims conflicted with the armament program. In April 1937, salaried workers under 25 years of age who had been dismissed as a result of the decree that a fixed quota of workers over 40 must be hired were informed that appeal to a labor court would be useless if the employment service had officially approved the dismissal.

It is noteworthy, however, that the scope of legal protection afforded the worker has been broadened to include a minimum of financial security. Compulsory transfer has been accompanied by separation allowances to permit maintenance of a suitable standard of living, special assistance in meeting financial obligations, compensation for special hardship, and payment of

transportation costs. In addition, the importance of providing standard working conditions and ensuring adequate housing and food to maintain health and morale has been increasingly emphasized. Employers were required to assume additional responsibility for providing, in advance, suitable board and lodging for transferred workers. Labor inspectors on special commissions were specifically delegated to enforce model working conditions. To offset food shortages, certain categories of munitions workers were supplied with vitamin preparations free of charge.

The extreme scarcity of labor and the increase in the numbers of potentially dangerous foreign workers necessitated increased application of the police power in matters of labor discipline. During 1941 there were instances of heavy penalties for insubordination. For example, a plumber released from the Army who had failed to report to the job to which he was assigned was sentenced to 6 months' imprisonment, and a milker who left his job without notice was given 8 months. In April 1942 the trend was climaxed by Hitler's assumption of complete police power regardless of existing laws. Assignment to the National Socialist Party of control over the labor-allocation administration was undoubtedly caused by the need for strict supervision of foreign workers and prevention of evasion of labor controls by German workers.

Great Britain.—All three of the principal worker rights in industry—the right of representation on industrial policy-making bodies, the right of control over the job by collective bargaining, and the right of appeal in case of infringements of established prerogatives—received some measure of recognition under the armament program. Provision was also made for additional labor safeguards by enforcing standard working conditions.

Representation on policy-making bodies was accomplished by taking a labor man into the Cabinet and providing for joint advisory committees. A member of the Trade Union Congress was appointed Minister of Labour and National Service and made responsible for labor-market policy. Joint Advisory Councils were established on national and regional levels to advise the government on matters in which workers and employers had a common interest.

In the realm of job control, however, progressively increasing labor scarcity was responsible for widespread curtailment of traditional trade-union

privileges. Employment service control replaced union control of employment. At first, craft unions agreed voluntarily to relinquish their rules to permit job dilution and increased use of lesser skills. Later, pressure for further economy of scarce skills resulted in government standardization of job break-down and control of worker upgrading and training in essential industries.

The government continued to use collective-bargaining machinery to establish minimum wage rates and standard working conditions in essential industries preliminary to the introduction of employment service control of hiring and separation. Nevertheless, the wisdom of continuing to establish wage rates by free negotiation, at the expense of impeding war efforts through marked wage discrepancies and price inflation, was increasingly questioned even by representatives of organized labor.

The right of workers to appeal infringements of established prerogatives was eventually somewhat shorn of its full measure of effectiveness. Under the Control of Employment Act of September 1939, the Minister of Labour and National Service could not refuse employers permission to engage or reengage an employee unless suitable alternative employment was available, and the employee had the right to appeal to the Court of Referees under the unemployment insurance system for reinstatement or for compensation for loss resulting from such refusal. In May 1940, as a national emergency measure, the Minister was empowered to transfer any person to any work that he was capable of doing, and suitable work was no longer defined as work in the usual occupation or under the usual working conditions. At first, the worker's right of appeal in such cases was limited to individual complaints made to the divisional controller of the employment service. Later, local joint appeal boards were authorized to make recommendations concerning worker appeals, but the employment service representative retained the right of final decision except in the case of discharge for cause, in which event a unanimous decision of the appeal board was final.

In relation to government control over conditions of essential employment, it is also noteworthy that the increasing use of police power was tempered by investigation of the contributing causes of absenteeism and lateness, and by the application of remedies. At first, disciplinary

orders issued by the national service officer could be appealed, but later such offenses were subject to direct prosecution. Refusal to work a reasonable amount of overtime became an offense. Court sentences in the form of fines and 3-day suspensions from work were succeeded by jail with hard labor for as long as 3 months. Prior to enforcement of disciplinary measures, however, the national service officer was required to investigate contributory causes and take steps to improve substandard conditions. A government investigation of absenteeism in shell-loading factories revealed a number of contributory causes: difficulties of transportation over long distances, lack of living accommodations near the factory, inadequate canteen arrangements, and fatigue resulting from the 7-day week. Recommendations for improving these conditions were carried out.

Government action curtailing worker rights was

accompanied by a guarantee of minimum essential needs. Workers compelled to transfer to essential work received financial aid for normal, as well as additional, living expenses. They were assured a minimum wage, adequate transportation facilities, satisfactory health and welfare conditions, proper lodging and means of obtaining food, and facilities for recreation and education. Employed women were entitled to care of their children during working hours. Payment of their compulsory pension contributions was undertaken, and unnecessary rent increases were forbidden. Welfare officers and medical supervisors in each factory heard and adjusted workers' complaints and recommended improvements of substandard working conditions; canteens provided food. In Great Britain emphasis on satisfactory working and living conditions was considered of prime importance in the maintenance of worker morale.

PUBLIC ASSISTANCE

BUREAU OF PUBLIC ASSISTANCE

The liquidation of the Civilian Conservation Corps and changes in the character or magnitude of other public aid programs have necessitated several changes in the statistical series relating to the public assistance and Federal work programs in the United States. These changes, described below, are effective beginning July 1942.

Because of a drastic reduction in its appropriation, the Farm Security Administration will not make subsistence payments in the current fiscal year to balance farm and home plans of families accepted for rehabilitation loans. Subsistence payments will be made only to families in need because of natural disasters. It is possible, therefore, that in many months no payments will be made. Consequently, data on subsistence payments are dropped from the series.

The Civilian Conservation Corps is in process of liquidation as directed by the Congress. Data on

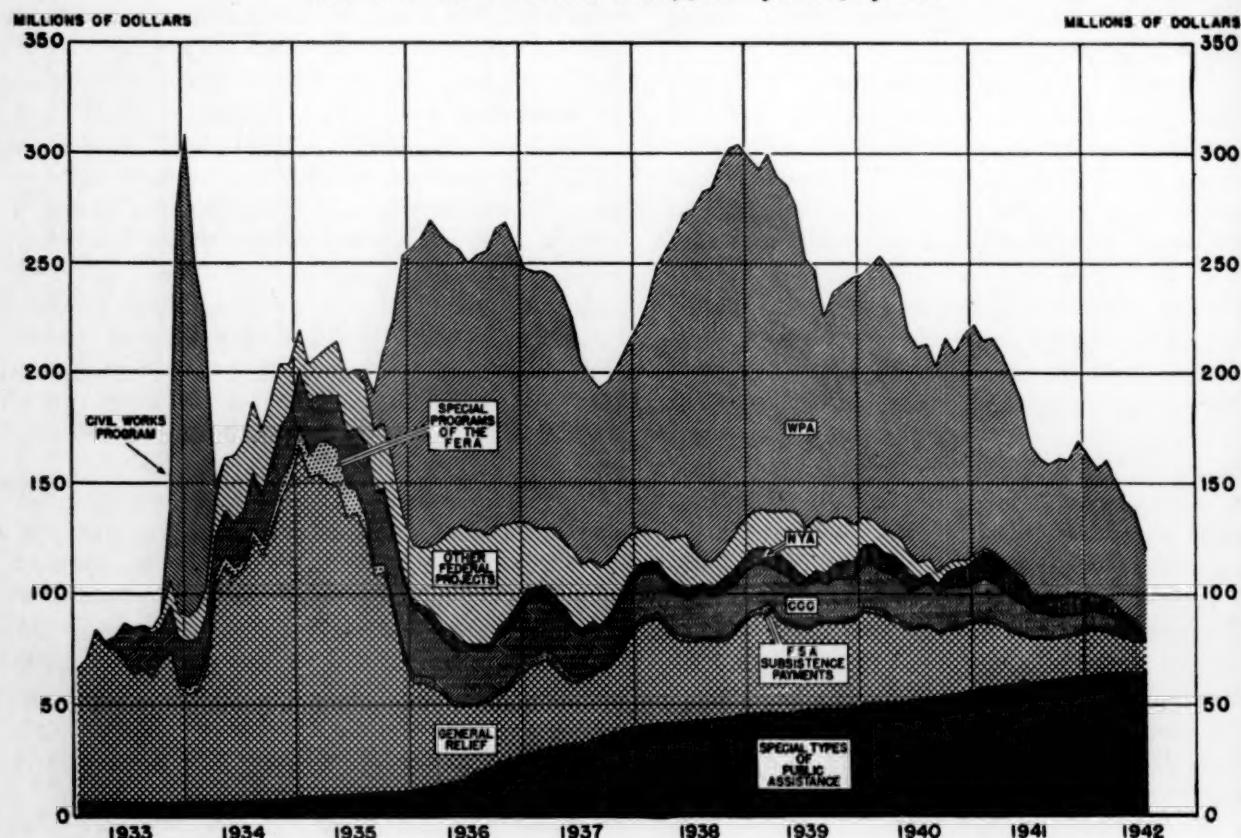
enrollees and earnings during the period of liquidation will be included in the time series as reports become available, but State data for this program will no longer be shown.

The out-of-school work program of the National Youth Administration is now focused on the training of inexperienced youth for war industry. Need is not a criterion for enrollment on work projects. Consequently, this program is dropped from the series.

Data for Public Works Administration and other Federal agency projects financed from emergency funds are discontinued, because they are of negligible importance even in the few States in which such projects are still in existence.

Since November 1940, data on regular Federal construction projects have been excluded from the totals of the series on public assistance and Federal work programs but have been presented in the last

Chart 1.—Public assistance and Federal work programs: Payments to recipients and earnings of persons employed in the continental United States, January 1933–July 1942¹



¹ Includes estimate for CCC for July 1942.

Table 1.—Public assistance and Federal work programs: Assistance and earnings in the continental United States, by month, July 1941–July 1942¹

[In thousands]

Year and month	Total	Assistance to recipients					Earnings of persons employed under Federal work programs			
		Special types of public assistance			General assistance ²	Subsistence payments certified by the Farm Security Administration ³	Civilian Conservation Corps ⁴	National Youth Administration ⁵		Other Federal agency projects financed from emergency funds ⁷
		Old-age assistance	Aid to dependent children	Aid to the blind				Student work program	Out-of-school work program	
1941										
July	\$167,069	\$45,335	\$12,572	\$1,889	\$19,830	\$308	\$11,093	\$26	\$7,164	\$67,332
August	161,142	45,694	12,575	1,905	19,645	442	11,430	1	7,507	61,156
September	158,766	46,190	12,565	1,910	18,503	318	10,665	150	7,384	60,439
October	161,387	46,863	12,701	1,949	18,570	372	9,616	1,731	7,115	61,976
November	160,420	47,236	12,842	1,969	18,440	509	9,572	2,364	7,419	59,746
December	169,890	47,523	13,111	1,993	19,477	748	8,448	2,260	6,849	68,971
1942										
January	162,106	47,931	13,310	2,029	20,141	1,404	7,686	1,942	5,747	61,763
February	157,488	48,522	13,553	2,017	19,225	1,663	7,135	1,675	5,656	57,807
March	159,465	48,283	13,639	2,029	18,820	1,383	6,332	1,670	5,407	61,781
April	150,326	48,458	13,591	2,037	17,182	907	5,071	1,637	5,101	56,283
May	141,408	48,903	13,451	2,038	15,394	496	4,262	1,555	4,787	50,488
June	135,011	49,128	13,321	2,054	14,149	418	3,167	956	4,929	46,861
July	120,012	49,573	13,220	2,055	13,647	(*)	(*)	0	(*)	41,517

¹ Partly estimated and subject to revision. For 1933 data, see the Bulletin, February 1941, p. 66; for January 1934–June 1941, see the Bulletin, February 1942, pp. 26–27. For definitions of terms, see the Bulletin, September 1941, pp. 50–52; see also footnotes 4, 6, and 7.

² Effective July 1, 1942, the term "general relief" has been changed to "general assistance," but coverage of program has not been changed.

³ Data from the FSA.

⁴ Data from the CCC. Beginning July 1941, earnings of persons enrolled estimated by the CCC by multiplying average monthly number of persons enrolled by average of \$67.20 for each month for enrollees other than Indians and \$60.50 for Indians.

⁵ Data from the NYA.

⁶ Data from the WPA. Beginning July 1942, represents expenditures (approved vouchers) for labor during month.

⁷ Data from the Bureau of Labor Statistics. Beginning October 1941, represents earnings on projects financed from PWA funds only; data not available for other Federal agency projects financed under Emergency Relief Appropriation acts, but latest available reports showed total monthly earnings of approximately \$100,000.

⁸ Excludes earnings of Indian enrollees for which data are not available; latest available reports showed total monthly earnings of approximately \$363,000.

⁹ See text for changes in series.

¹⁰ Not available.

Table 2.—Public assistance and Federal work programs: Recipients of assistance and persons employed in the continental United States, by month, July 1941–July 1942¹

[In thousands]

Year and month	Recipients of assistance					Persons employed under Federal work programs				
	Special types of public assistance			Cases receiving general assistance ²	Cases for which subsistence payments were certified by the Farm Security Administration ³	Civilian Conservation Corps ⁴	National Youth Administration ⁵		Work Projects Administration ⁶	Other Federal agency projects financed from emergency funds ⁷
	Old-age assistance	Aid to dependent children	Aid to the blind				Student work program	Out-of-school work program		
1941										
July	2,181	388	935	74	876	14	175	5	318	1,025
August	2,195	386	931	74	859	18	171	(*)	315	1,015
September	2,205	384	926	75	818	11	159	34	308	1,007
October	2,214	385	928	76	796	13	144	273	288	1,000
November	2,224	385	928	77	782	16	143	341	303	1,027
December	2,234	390	941	77	798	26	120	333	283	1,023
1942										
January	2,240	396	953	78	836	42	115	306	234	995
February	2,241	399	960	78	817	46	107	256	231	998
March	2,245	401	965	78	785	38	95	247	220	933
April	2,245	401	963	78	723	24	76	237	205	837
May	2,248	399	958	79	657	14	64	215	181	759
June	2,250	395	949	79	607	12	47	135	184	671
July	2,249	389	937	79	566	(*)	(*)	0	(*)	505

¹ Partly estimated and subject to revision. For 1933 data, see the Bulletin, February 1941, p. 68; for January 1934–June 1941, see the Bulletin, February 1942, pp. 28–29. For definitions of terms, see the Bulletin, September 1941, pp. 50–52; see also footnotes 5 and 7.

² Effective July 1, 1942, the term "general relief" has been changed to "general assistance," but coverage of program has not been changed.

³ Data from the FSA.

⁴ Data from the CCC.

⁵ Data from the NYA. Beginning July 1941, number employed on out-of-school work program based on an average of weekly employment counts during month.

⁶ Data from the WPA.

⁷ Data from the Bureau of Labor Statistics. Beginning October 1941, represents employment on projects financed from PWA funds only; data not available for other Federal agency projects financed under Emergency Relief Appropriation acts, but latest available reports showed total monthly employment of approximately 1,000.

⁸ Less than 500 persons.

⁹ Excludes Indian enrollees for which data are not available; latest available reports showed total monthly employment of approximately 6,000.

¹⁰ See text for changes in series.

¹¹ Not available.

column of tables 1 and 2 to provide a complete record of the Federal work programs. These data will no longer be published in conjunction with the series.

The extent to which the same households and persons benefit from two or more types of public aid varies with changes in economic conditions, and also in agency policies and practices. Factors

Table 3.—Special types of public assistance: Recipients and payments to recipients in States with plans approved by the Social Security Board, by month, July 1941-July 1942¹

Year and month	Number of recipients				Amount of payments to recipients			
	Old-age assistance	Aid to dependent children		Aid to the blind	Total	Old-age assistance	Aid to dependent children	Aid to the blind
		Families	Children					
1941								
July	2,184,804	376,222	909,749	49,878	\$58,875,261	\$45,404,398	\$12,300,336	\$1,170,527
August	2,198,060	374,473	905,691	50,208	59,247,233	45,763,237	12,299,742	1,184,254
September	2,208,127	372,366	901,151	50,412	59,748,353	46,258,788	12,295,936	1,193,629
October	2,217,351	380,895	919,682	51,791	60,769,958	46,932,298	12,606,360	1,231,300
November	2,227,616	381,191	919,944	52,187	61,311,517	47,305,062	12,759,465	1,246,900
December	2,237,842	387,160	934,983	52,616	61,924,352	47,592,299	13,068,695	1,263,358
1942								
January	2,243,339	393,109	947,970	53,095	62,550,649	48,001,120	13,271,190	1,278,339
February	2,244,703	396,417	954,865	53,455	63,396,366	48,592,406	13,511,395	1,292,565
March	2,248,637	398,533	959,196	53,764	63,252,291	48,353,231	13,597,643	1,301,417
April	2,248,480	397,724	956,922	53,914	63,387,765	48,526,225	13,549,280	1,310,260
May	2,250,988	395,742	952,038	54,129	63,691,944	48,973,118	13,405,449	1,313,377
June	2,253,308	392,182	943,080	54,378	63,799,817	49,197,634	13,276,979	1,325,204
July	2,251,954	386,801	930,621	54,480	64,151,534	49,642,704	13,174,795	1,334,035

¹ For definitions of terms, see the Bulletin, September 1941, pp. 50-52.

Chart 2.—Special types of public assistance and general relief: Index of payments to recipients in the continental United States, January 1933-July 1942

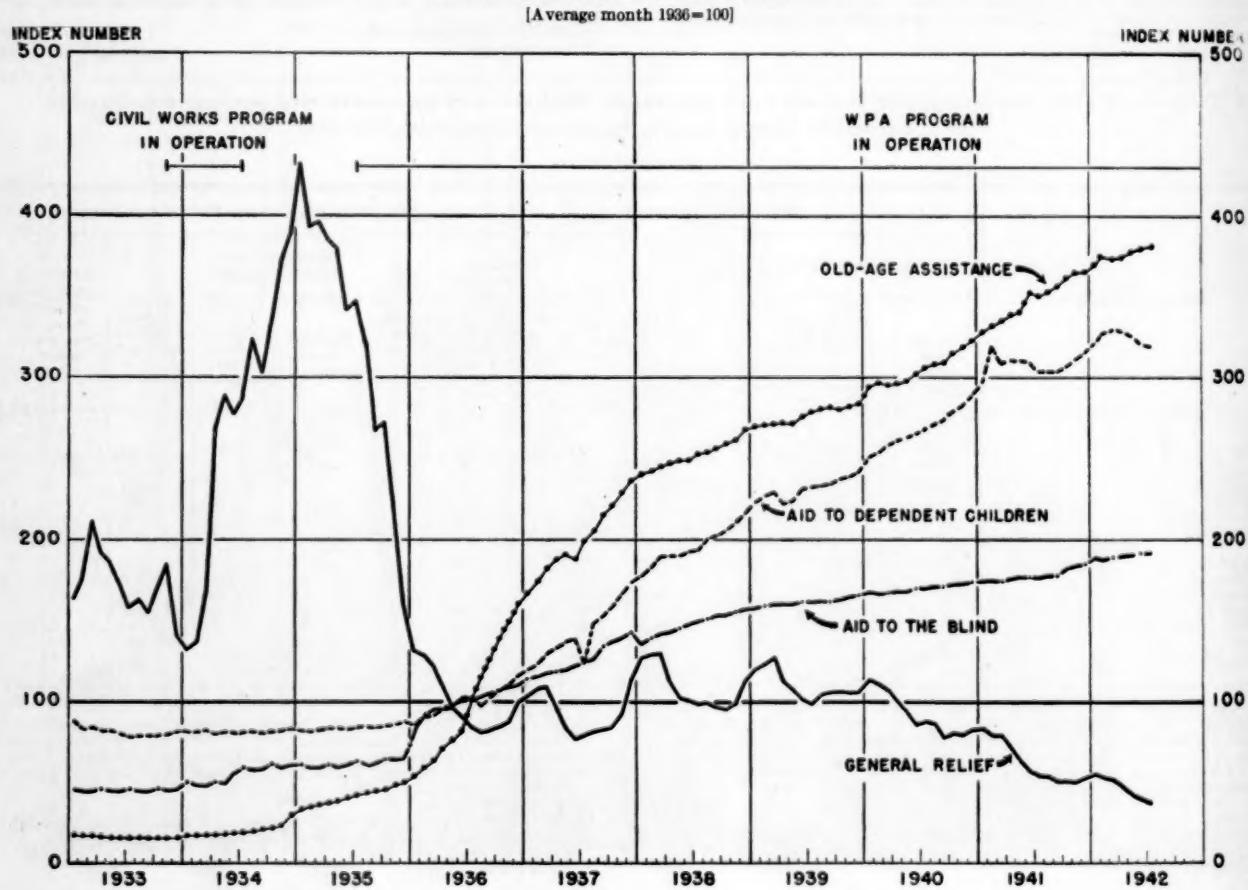


Table 4.—Food stamp plan: Number of areas included and participants, and value of stamps issued in the continental United States, by month, July 1941-July 1942¹

Year and month	Number of areas included ²	Number of participants ³		Value of food stamps issued
		Cases	Persons	
1941				
July	374	1,184,490	3,821,600	\$9,908,088
August	388	1,152,431	3,706,800	9,782,709
September	389	1,122,628	3,598,200	9,645,306
October	390	1,083,306	3,447,700	9,078,800
November	390	1,061,094	3,331,300	8,803,766
December	398	1,044,201	3,459,400	9,395,102
1942				
January	399	1,095,636	3,528,100	9,428,392
February	1,307	1,115,946	3,589,600	9,605,399
March	1,388	1,062,103	3,584,000	9,783,140
April	1,458	1,043,931	3,322,700	9,246,138
May	1,481	986,175	3,094,000	8,718,110
June	1,528	925,010	2,854,100	8,133,159
July ⁴	1,533	860,872	2,001,900	7,674,720

¹ Data exclude persons receiving commodities under direct distribution program of the Agricultural Marketing Administration and value of such commodities.

² Through January 1942, an area represents a city, county, or group of counties; beginning with February 1942, an area represents a county or city.

³ Includes recipients of 3 special types of public assistance and of subsistence payments from the FSA; recipients of, and those eligible for, general assistance; persons certified as in need of assistance and employed on or awaiting assignment to projects financed by the WPA. Includes for 1 area (Shawnee, Okla.) some low-income families having weekly income of less than \$19.50 who have been eligible to participate since October 1939.

⁴ Preliminary.

Source: U. S. Department of Agriculture, Agricultural Marketing Administration.

Chart 3.—Special types of public assistance and general relief: Payments to recipients in the continental United States, January 1936-July 1942

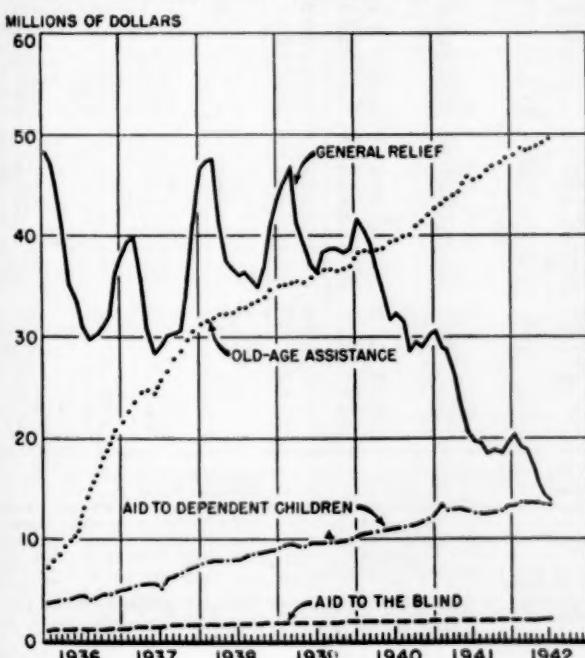


Table 5.—General assistance: Cases and payments to cases in the continental United States, by State, July 1942¹

State	Number of cases receiving assistance	Amount of payments to cases	Average payment per case	Percentage change from—			
				June 1942 in—	July 1941 in—	Num-ber of cases	Amount of payments
Total ²	566,000	\$13,647,000	\$24.11	-6.8	-3.5	-35.4	-31.2
Ala.	2,256	22,682	9.62	+2.9	+5.6	-1.4	+6.8
Ariz.	2,634	52,500	19.93	-1.2	(2)	-7.4	+8.2
Ark. ³	3,787	24,061	6.35	-0.9	-6	+12.6	+57.3
Calif.	24,983	591,222	24.05	-5.2	-8.2	-45.8	-44.5
Colo. ⁴	7,759	142,118	18.32	-5.4	-10.5	-9.4	+11.8
Conn.	4,887	133,593	27.34	-6.6	-8.3	-39.3	-36.7
Del.	501	9,980	19.92	-4.6	-3.5	-38.6	-35.5
D. C.	1,393	37,824	24.58	-3.8	-5.6	-25.8	-24.8
Fla.	6,647	48,581	7.31	-1.2	+5	-22.1	-19.4
Ga.	4,801	36,716	7.65	+8	+3	-19.4	-6.2
Idaho ⁵	1,065	16,648	15.34	-2.0	-1.3	-20.8	-11.5
Ill.	68,668	1,749,404	25.48	-4.9	+6	-36.9	-25.9
Ind. ⁶	14,545	215,966	14.85	-9.5	-7.3	-37.5	-34.1
Iowa	12,197	179,670	14.73	-4.9	-7.5	-32.6	-32.4
Kans.	7,822	128,241	17.67	-6.6	-7.4	-30.3	-18.4
Ky. ⁷	3,300	73,400					
La. ⁸	746	19,274	25.84	-9.6	-89.9	-93.9	-90.2
Maine	3,954	89,379	22.60	-3.8	-6.5	-36.7	-30.4
Md.	5,921	130,001	21.96	-3.5	-1.5	-16.6	-10.5
Mass.	26,300	686,156	26.09	-3.5	+4.9	-29.6	-24.7
Mich.	24,255	568,601	23.44	-6.7	-4.6	-19.8	-12.6
Minn.	14,120	283,353	20.07	-7.4	-6.4	-34.2	-36.2
Miss.	571	2,980	5.22	-13.0	+15.6	-22.5	+20.9
Mo. ⁹	12,997	187,084	14.39	-2.1	-2.2	-28.4	-17.5
Mont.	1,896	31,040	16.37	-8.7	-10.0	-34.5	-26.8
Nebr.	3,958	46,641	11.78	-9.3	-6.2	-24.4	-15.0
Nev.	425	5,956	14.01	-9.4	-14.7	(9)	-10.4
N. H.	2,672	61,382	22.97	-5.3	-5.9	-35.7	-34.1
N. J. ¹⁰	15,704	364,796	23.23	-4.7	-4.5	-37.8	-34.0
N. Mex. ¹¹	1,185	11,381	9.60	-4.3	+2.7	-31.6	-4.9
N. Y.	¹² 139,800	¹³ 207,262	¹⁴ 37.25	¹⁵ -3.8	¹⁶ -2.1	¹⁷ -28.4	¹⁸ -27.6
N. C.	3,662	27,944	7.63	-3.3	+4.5	-12.4	-4.9
N. Dak.	1,692	25,103	14.84	-8.9	-10.4	-23.1	-16.7
Ohio	29,889	559,933	18.73	-5.7	-7.4	-32.9	-25.0
Oklahoma ¹³	6,102	29,463	(11)	(11)	-42.5	(11)	+20.6
Oreg.	3,820	83,774	21.93	-6.4	-5.0	-36.9	-19.1
Pa.	46,669	933,317	20.00	-3.6	+3.6	-59.5	-60.9
R. I. ¹⁴	3,589	127,902	33.66	-11.1	-1.1	(11)	-14.2
S. C.	2,271	19,935	8.78	-1.5	-1	-1.7	+5.1
S. Dak.	2,233	30,591	13.70	-8.3	-3.2	-23.1	-21.7
Tenn.	72,000	¹⁹ 15,000					
Tex.	5,804	61,603	10.61	-5.7	-2.5	-36.4	-24.4
Utah	2,664	72,994	27.40	-5.7	-5.1	-44.6	-43.7
Vt.	1,164	23,835	20.48	-7.5	-5.5	-19.0	-5.0
Va.	4,331	45,040	10.40	-5.6	-7.3	-17.0	-11.6
Wash.	5,528	137,280	24.83	-7.9	-3.0	-35.6	+8
W. Va.	11,740	128,848	10.98	+1.3	-2.8	-6	+15.3
Wis.	14,620	334,829	22.90	-9.3	-8	-33.0	-26.9
Wyo.	684	12,437	18.18	-8.8	-10.0	-14.3	-3.0

¹ For definitions of terms, see the Bulletin, September 1941, pp. 50-52. Effective July 1, 1942, the term "general relief" has been changed to "general assistance," but coverage of program has not been changed.

² Partly estimated; does not represent sum of State figures, because an estimated number of cases receiving medical care, hospitalization, and/or burial services for these services in 3 States have been excluded, and data on cases aided in Oklahoma estimated to exclude duplication.

³ Decrease of less than 0.05 percent.

⁴ State program only; excludes program administered by local officials.

⁵ Includes unknown number of cases receiving medical care, hospitalization, and/or burial services for these services.

⁶ Excludes assistance in kind and cases receiving assistance in kind only and, for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents approximately 70 percent of total expenditures.

⁷ Estimated.

⁸ Represents assistance to employables in New Orleans and a small amount in scattered parishes; State-wide program discontinued as of June 30, 1942.

⁹ No change.

¹⁰ Includes cases receiving medical care only; number believed by State agency to be insignificant.

¹¹ Represents 2,055 cases aided under program administered by State board of public welfare, and 4,047 cases aided by county commissioners; amount of duplication believed to be large; average per case and percentage change in number of cases cannot be computed. Report incomplete for some counties.

¹² Partly estimated.

¹³ Comparable data not available.

for estimating the unduplicated number of households and persons benefitting from the programs have been derived from special studies and periodic statistical reports of the agencies included in the series. These factors are no longer adequate for purposes of making monthly estimates, and accordingly they are discontinued.

Public assistance and earnings under the Federal

work programs in the continental United States in July amounted to \$120 million, a decrease of 11 percent from June 1942 and 28 percent from July 1941.

June-July changes of less than 1 percent occurred in payments for all three of the special

Table 7.—Aid to the blind: Recipients and payments to recipients, by State, July 1942¹

Table 6.—Old-age assistance: Recipients and payments to recipients, by State, July 1942¹

State	Number of recipients	Amount of payments to recipients	Average payment per recipient	Percentage change from—				Percentage change from—			
				June 1942 in—		July 1941 in—		June 1942 in—		July 1941 in—	
				Number of recipients	Amount of payments	Number of recipients	Amount of payments	Number of recipients	Amount of payments	Number of recipients	Amount of payments
Total ²	2,251,954	\$49,642,704	\$22.04	-0.1	+0.9	+3.1	+9.3				
Ala.	21,656	211,496	9.77	+1.9	+3.5	+7.4	+15.3				
Alaska	1,561	45,986	29.46	-1	-1	-7	-2				
Ariz.	9,525	328,602	34.50	+3	+5	+6.9	+13.0				
Ark.	25,350	210,235	8.29	+1.9	+8	-2.3	+5.8				
Calif.	156,968	5,723,542	36.46	-4	-4	(*)	+1.1				
Colo.	42,705	+1,409,525	33.01	-2	+6.3	+2	-7.6				
Conn.	17,533	516,167	29.44	-3	-3	-5	+2.4				
Del.	2,305	29,777	12.92	-1.1	-8	-7.2	+3.1				
D. C.	3,566	94,088	26.38	+1.1	+1.3	+2.0	+4.3				
Fla.	43,379	618,458	14.26	+6	+7	+14.8	+24.7				
Ga.	67,158	596,836	8.89	+1.5	+1.9	+28.6	+36.6				
Hawaii	1,675	23,848	14.24	-2.0	-7	-9.1	+1.2				
Idaho	9,881	234,062	23.69	-2	+3	+4.8	+9.1				
Ill.	150,559	4,016,724	26.08	+1	+1.1	+2.2	+16.7				
Ind.	70,437	1,400,969	19.89	-1	+3	+4.0	+1.6				
Iowa	56,436	1,216,274	21.55	-2	+2	-1.1	+1.8				
Kans.	31,076	695,764	22.39	-1	+3	+6.5	+22.3				
Ky.	56,112	561,089	10.00	-1.3	+7	-3.8	+7.7				
La.	35,765	477,813	13.36	+2	+2	(*)	+1.1				
Maine	15,966	339,728	21.28	+4	+7	+22.1	+24.3				
Md.	16,338	313,676	19.20	+1.2	-4	-8.4	-1.9				
Mass.	86,177	2,861,688	33.21	-5	-6	-1.0	+13.8				
Mich.	91,861	1,824,836	19.87	-7	+3	+1.6	+16.9				
Minn.	63,006	1,407,470	22.34	-2	(*)	-4	+3.7				
Miss.	26,679	240,904	9.03	-8	-8	-4	+2.3				
Mo.	114,934	1,546,813	13.46	-5	+1	+6	+6.5				
Mont.	12,458	283,027	22.72	-1	+5	-1	+10.7				
Nebr.	29,416	548,846	18.66	-6	-5	+1.1	+10.0				
Nev.	2,199	67,661	30.77	-5	-1	-4.8	-8.5				
N. H.	7,279	165,911	22.79	-5	-3	+3.6	+8.2				
N. J.	29,707	675,406	22.74	-6	-2	-4.5	+1.4				
N. Mex.	5,144	83,790	16.29	+8	+1.4	+7.4	+2.6				
N. Y.	118,391	3,287,353	27.77	-5	+5.7	-2.9	+8.6				
N. C.	39,352	406,752	10.34	+3	+1	+3.5	+5.2				
N. Dak.	9,552	178,122	18.65	+1	+4	+2.0	+8.0				
Ohio	139,322	3,362,765	24.14	(*)	+3	+6	+3.8				
Okla.	77,843	1,596,374	20.51	+1	+3	+1.3	+15.4				
Oreg.	21,608	507,888	22.50	-7	+3	+1.7	+11.0				
Pa.	96,918	2,227,600	22.99	-4	-4	-6.1	-3.2				
R. I.	7,430	176,771	23.79	+1	+1.3	+5.6	+22.2				
S. C.	21,272	224,495	10.55	+1.2	-6.5	+18.7	+56.2				
S. Dak.	14,727	283,451	19.25	-5	-2	-1.6	-7				
Tenn.	40,285	499,275	12.39	+7	+5.4	+5	+22.7				
Tex.	175,527	3,486,543	19.86	+8	+1.6	+22.3	+31.0				
Utah	14,554	363,224	27.02	-1	-3	+1.3	+2.4				
Vt.	5,543	98,212	17.72	+9	+152.2	-3.7	+8.8				
Va.	19,692	203,471	10.33	-5	-7	-2.4	+5				
Wash.	64,259	2,157,932	33.58	(*)	+1	+8.7	+12.1				
W. Va.	23,623	417,144	17.66	+6	+6	+21.2	+42.1				
Wis.	53,728	1,276,606	23.76	-4	-1	-7	+3.7				
Wyo.	3,517	87,605	24.91	-6	-7	(*)	+4.1				

¹ For definitions of terms, see the Bulletin, September 1941, pp. 50-52.

² All 51 States have plans approved by the Social Security Board.

³ Increase of less than 0.05 percent.

⁴ Includes \$107,262 incurred for payments to 3,246 recipients 60 but under 65 years of age.

⁵ Decrease of less than 0.05 percent.

⁶ Decrease in payments in June 1942 resulted from shortage of funds.

¹ For definitions of terms, see the Bulletin, September 1941, pp. 50-52. Figures in italics represent programs administered under State laws from State aid or local funds without Federal participation. Delaware and Alaska do not have programs for aid to the blind, and information on status of program in Kentucky is not available.

² Total for States with plans approved by the Social Security Board.

³ Increase of less than 0.05 percent.

⁴ No change.

⁵ Includes program administered under State law without Federal participation.

⁶ Not computed; less than 100 recipients.

⁷ Estimated.

⁸ No program for aid to the blind for July 1941.

types of public assistance. Recipients of each type of aid declined for the first time since the Social Security Board was established. Payments for aid to dependent children also decreased, but payments to recipients of old-age assistance and

aid to the blind increased. General assistance cases declined 6.8 percent and payments 3.5 percent. (Effective July 1, 1942, the term "general relief" was changed to "general assistance," but the coverage of the program has not

Table 8.—*Aid to dependent children: Recipients and payments to recipients, by State, July 1942*¹

State	Number of recipients		Average payment per family	Percentage change from—								
	Families	Children		June 1942 in—				July 1941 in—				
				Number of recipients		Amount of payments	Number of recipients		Amount of payments			
				Families	Children		Families	Children	Families	Children		
Total	390,592	939,561	\$13,257,044	\$33.94	-1.4	-1.3	-0.8	+0.4	+0.1	+5.1		
Total, 47 States ²	386,801	930,621	13,174,795	34.06	-1.4	-1.3	-0.8	+2.8	+2.3	+7.1		
Alabama	5,572	15,895	\$9,307	16.03	+1.1	+1.2	+4.1	-4.5	-5.6	+11.3		
Alaska	390	310	\$5,200									
Arizona	2,234	6,003	75,862	33.96	-3.6	-2.8	-3.0	-9.2	-7.5	-6.3		
Arkansas	6,262	16,304	80,476	14.29	+1.1	+1.2	+2	-2.9	-1.7	+3.0		
California	12,500	31,106	672,602	51.78	-4.8	-4.4	-3.8	-17.4	-17.3	-10.8		
Colorado	5,696	14,101	175,997	30.90	-4.1	-3.5	-4.0	-9.2	-8.5	-7.4		
Connecticut	1,821	4,725	105,906	58.16	+5.6	+6.9	+10.4	+45.1	+65.7	+91.6		
Delaware	440	1,322	15,010	34.11	-4.8	-3.7	-4.2	-26.8	-21.8	-20.4		
District of Columbia	1,140	3,317	41,711	36.59	+9	+3	+1.0	+13.5	+12.3	+11.9		
Florida ³	5,570	13,042	136,814	24.56	-2.4	-3.8	-1.4	+34.7	+25.7	+47.1		
Georgia	4,720	11,529	106,744	22.62	+1	(*)	+1	+5	-8	+3.8		
Hawaii	826	2,588	33,528	40.59	-7.0	-6.2	-5.3	-30.9	-32.5	-23.1		
Idaho	2,894	7,449	94,938	32.81	-3.5	-3.1	-2.7	-5.5	-3.8	+2.1		
Illinois	22,523	51,161	735,201	32.64	-2.5	-2.1	-1.4	+201.1	+206.7	+323.7		
Indiana	14,583	30,532	451,886	30.90	-2.4	-1.8	-1.7	-9.9	-8.9	-5.1		
Iowa	3,157	6,988	59,939	19.11	-9	-7	-1.1	-10.2	-10.6	-10.8		
Kansas	6,625	16,034	225,723	34.07	-1.8	-1.5	-1.7	+1.4	+3.8	+19.2		
Kentucky	3,460	7,590	16,600									
Louisiana	14,874	36,129	397,124	26.70	-1.2	-7	-1.2	-3.6	-3.4	-3.3		
Maine	1,808	5,008	75,433	41.72	-7	-8	(?)	+12.9	+21.6	+18.7		
Maryland	5,188	14,343	167,904	32.36	-3.4	-3.7	-3.6	-18.2	-17.1	-14.1		
Massachusetts	11,772	28,785	657,867	55.88	-1.9	-2.2	-2.3	-6.5	-7.0	-6.1		
Michigan	20,306	46,948	883,910	43.53	-2.2	-2.2	-2.3	-5.3	-7.4	+1.6		
Minnesota	8,741	21,127	304,614	34.85	-1.9	-1.5	-1.8	-6.2	-4.6	-4.2		
Mississippi	2,543	6,524	51,258	20.16	-1.2	-1.2	-1.2	+58.9	+52.6	+53.4		
Missouri	14,061	32,244	425,950	30.29	-3	-3	+28.7	(?)	-7	+32.6		
Montana	2,532	6,277	78,792	31.12	-3.0	-2.7	-2.4	-2	+8	+4.3		
Nebraska ⁴	5,287	11,836	149,807	28.33	-2.3	-2.2	-2.5	-8.8	-8.9	-6.3		
Nevada	104	222	2,510	84.13	-6.3	-7.9	-8.8	-8.0	-17.2	-6.6		
New Hampshire	853	2,141	40,582	47.58	+1.4	+1.5	+1.0	+36.9	+39.6	+51.1		
New Jersey	7,913	18,035	252,570	31.92	-5.6	-5.6	-5.3	-21.6	-21.1	-20.8		
New Mexico	2,420	7,103	68,227	28.19	+2.3	+1.9	+3.4	+20.6	+24.5	+20.9		
New York	27,105	54,317	1,363,322	50.13	-1.7	-1.1	+1	-16.7	-15.0	-9.4		
North Carolina	9,782	22,863	167,684	17.14	-1.3	-1.5	-1.5	-6	-2.5	+1.3		
North Dakota	2,400	6,842	78,675	31.98	-1.6	-1.4	-1.4	-5	-6	+2.0		
Ohio	11,316	29,805	433,400	38.30	-1.9	-1.5	-2.5	-4.1	-5.8	-6.7		
Oklahoma	19,362	44,881	429,207	22.17	-1.7	-9	(?)	-1.9	-9	+24.6		
Oregon	1,942	4,602	90,436	46.57	-4.1	-3.6	-3.6	-5.9	-5.5	+7.1		
Pennsylvania	46,065	115,670	1,859,450	40.37	-3.5	-3.7	-4.1	-25.7	-25.4	-17.9		
Rhode Island	1,244	3,438	66,025	53.07	+2	-5	+1.4	-4.0	-6.2	+12.3		
South Carolina	4,012	11,665	63,437	15.81	-2	-8	-5.6	+5.4	+4.3	-8.1		
South Dakota	1,871	4,374	53,825	28.77	+4	+4	+5	+16.9	+16.7	+22.8		
Tennessee	14,017	35,068	271,268	19.35	-1.4	-1.0	+3	-2.0	-2.0	+1.9		
Texas	17,318	36,002	355,702	20.54	+15.0	+13.9	+14.6	(?)	(?)	(?)		
Utah	3,350	8,927	150,763	45.00	-4.0	-2.6	-6.5	-16.9	-15.1	-11.0		
Vermont	714	1,904	23,306	32.64	-1.5	-1.3	-2.1	+9.0	+6.2	+8.5		
Virginia	4,897	14,093	100,165	20.45	-1.3	-1.5	-2.4	+8.7	+6.3	+11.2		
Washington	4,686	11,369	211,823	45.20	-3.9	-3.5	-8	-11.4	-9.9	+9.5		
West Virginia	12,889	34,242	400,426	31.07	+1.7	+1.8	+1.6	+35.9	+35.6	+70.0		
Wisconsin	10,759	25,057	426,537	39.64	-3.0	-3.0	-2.9	-12.8	-10.8	-5.7		
Wyoming	728	1,894	24,502	33.66	-2.7	-2.5	-2.3	-6.3	-4.3	-3.4		

¹ For definitions of terms, see the Bulletin, September 1941, pp. 50-52. Figures in italics represent programs administered under State laws from State and/or local funds without Federal participation.

² Total for States with plans approved by the Social Security Board.

³ Estimated.

⁴ No approved plan for July 1941. Percentage change based on program administered under State law without Federal participation.

⁵ Includes program administered under State law without Federal participation.

⁶ No change.

⁷ Increase of less than 0.05 percent.

⁸ In addition, in 60 counties payments amounting to \$10,654 were made from local funds without State or Federal participation to 599 families in behalf of 1,461 children under the State mothers'-pension law; some of these families also received aid under plan approved by the Social Security Board.

⁹ No approved plan for July 1941. Percentage change not computed, since program administered under State law without Federal participation was not State-wide.

been changed.) Persons employed by the Work Projects Administration dropped 25 percent and their earnings, 11 percent.

The special types of public assistance accounted

for 54 percent of total expenditures for the month, general assistance for 11 percent, and projects of the Work Projects Administration for 35 percent.

In 29 States with plans approved by the Social

Table 9.—Public assistance and Federal work programs: Assistance and earnings in the continental United States, by State, June 1942¹

[In thousands]

State	Total	Assistance to recipients				Earnings of persons employed under Federal work programs				Earnings on regular Federal construction projects		
		Special types of public assistance ²			General assistance	Subsistence payments certified by the Farm Security Administration	Civilian Conservation Corps	National Youth Administration				
		Old-age assistance	Aid to dependent children	Aid to the blind				Student work program	Out-of-school work program			
Total	\$135,011	\$49,125	\$13,321	\$2,054	³ \$14,149	⁴ \$418	\$3,167	\$956	\$4,929	\$46,861	\$28	\$307,100
Alabama	1,550	204	86	6	21	16	137	16	124	940		10,123
Arizona	701	327	78	14	53	2	20	2	15	189		1,608
Arkansas	1,358	209	90	11	⁵ 24	23	115	4	81	801		4,858
California	9,579	5,747	699	338	644	10	58	86	122	1,874		34,643
Colorado	2,130	1,326	183	21	⁶ 159	15	17	8	37	362	2	1,966
Connecticut	1,037	517	96	7	146		7	10	37	218		3,688
Delaware	130	30	16		10	(?)	1	2	7	64		658
District of Columbia	430	93	41	10	40		7	7	13	220		4,492
Florida	2,178	614	139	41	48	4	78	14	88	1,150		4,770
Georgia	2,178	586	107	24	37	33	145	22	246	980		4,937
Idaho	556	233	98	7	⁸ 17	5	6	4	33	154		352
Illinois	10,557	3,973	745	228	⁹ 1,739	5	94	58	246	3,461	7	6,911
Indiana	3,450	1,397	460	52	¹⁰ 233	1	34	16	103	1,155		8,578
Iowa	2,266	1,214	61	42	194	2	18	29	96	610		865
Kansas	1,792	693	230	32	149	4	32	8	70	574		1,305
Kentucky	2,096	557	¹¹ 16		¹² 34	17	205	9	147	1,110		3,623
Louisiana	2,276	477	402	23	190	16	117	18	106	927		9,860
Maine	716	338	75	25	96	3	9	1	60	110		3,620
Maryland	974	315	174	14	132	3	15	10	40	272		9,549
Massachusetts	6,736	2,878	674	28	654	(?)	41	23	135	2,303		14,835
Michigan	5,624	1,819	905	37	596	18	80	52	185	1,932		2,559
Minnesota	3,471	1,408	310	28	303	20	62	27	102	1,210		2,275
Mississippi	1,410	243	52	15	3	13	136	14	117	818		2,757
Missouri	4,076	1,545	331	¹³ 86	¹⁴ 191	20	108	13	131	1,649		4,351
Montana	734	282	81	8	34	7	6	3	23	290		214
Nebraska	1,311	551	154	16	50	6	17	8	39	471		2,332
Nevada	114	68	3	1	7	(?)	1	1	2	32		407
New Hampshire	456	166	40	8	65	1	3	2	15	155		2,875
New Jersey	3,200	676	267	18	¹⁵ 382	(?)	35	28	71	1,724		16,542
New Mexico	720	83	66	4	¹⁶ 11	50	54	3	31	418		1,118
New York	15,359	3,110	1,362	76	5,317	2	104	121	344	4,923	(?)	14,444
North Carolina	1,794	406	170	34	27	28	118	19	185	807		4,658
North Dakota	550	177	80	3	28	2	18	7	27	269		40
Ohio	7,135	3,351	445	83	605	4	96	44	187	2,322		5,298
Oklahoma	3,481	1,591	429	50	51	16	138	15	177	1,013		4,892
Oregon	920	506	94	13	88	6	7	10	31	163		12,600
Pennsylvania	9,874	2,236	1,939	416	901	6	184	81	319	3,793		19,462
Rhode Island	616	174	65	2	¹⁷ 129	(?)	5	2	12	226		4,030
South Carolina	1,468	240	67	9	20	(?)	101	12	109	902	18	4,441
South Dakota	614	284	54	4	32	5	16	3	32	184		120
Tennessee	1,982	474	271	21	¹⁸ 13	4	129	13	110	948		9,243
Texas	7,042	3,433	311	72	63	28	332	47	340	2,417		21,470
Utah	857	394	161	5	77	2	4	9	21	184		2,003
Vermont	175	¹⁹ 39	24	4	25	2	3	2	19	58		30
Virginia	1,008	205	103	14	40	5	97	21	98	417		18,302
Washington	3,040	2,156	213	35	142	6	10	24	78	370		12,321
West Virginia	2,246	415	394	23	133	3	84	12	182	1,002		1,712
Wisconsin	3,012	1,278	439	47	338	12	58	16	121	702		4,654
Wyoming	194	88	25	4	14	2	3	2	12	44		66

¹ See footnotes to table 1.

² Figures in italics represent programs administered under State laws from State and/or local funds without Federal participation.

³ Partly estimated; does not represent sum of State figures, because total payments for medical care, hospitalization, and burial in 3 States have been excluded.

⁴ Includes data for South Carolina, where amount of cash grant payments canceled during month exceeded by \$11,894 amount of cash grant payments issued.

⁵ State program only; excludes program administered by local officials.

⁶ Includes total payments for medical care, hospitalization, and/or burial.

⁷ Less than \$500.

⁸ Data represent approximately 70 percent of total expenditures; exclude assistance in kind and, for a few counties, cash payments.

⁹ Partly estimated.

¹⁰ Estimated.

¹¹ Decrease in payments in June 1942 resulted from shortage of funds.

Security Board in both years, the number of persons receiving old-age assistance in July 1942 was larger than in July 1941; the number receiving aid to the blind increased in 26 of these States.

In contrast, the number of families receiving aid to dependent children decreased in 30 States. Arkansas was the only State to report an increase in the number of cases receiving general assistance.

Table 10.—*Public assistance and Federal work programs: Recipients of assistance and persons employed in the continental United States, by State, June 1942*¹

State	Recipients of assistance					Persons employed under Federal work programs					Persons employed on regular Federal construction projects	
	Special types of public assistance ²			Cases receiving general assistance	Cases for which subsistence payments were certified by the Farm Security Administration	Civilian Conservation Corps	National Youth Administration		Work Projects Administration	Other Federal agency projects financed from emergency funds		
	Old-age assistance	Aid to dependent children	Aid to the blind				Student work program	Out-of-school work program				
Old-age assistance	Families	Children	Aid to the blind	Cases receiving general assistance	Cases for which subsistence payments were certified by the Farm Security Administration	Civilian Conservation Corps	Student work program	Out-of-school work program	Work Projects Administration	Other Federal agency projects financed from emergency funds	Persons employed on regular Federal construction projects	
Total	2,250,035	395,041	940,151	78,838	³ 607,000	⁴ 12,177	47,127	135,420	183,938	671,010	204	1,657,749
Alabama	21,262	5,509	15,704	643	2,290	299	2,035	1,851	4,731	15,216		56,696
Arizona	9,499	2,317	6,178	415	2,665	137	301	285	589	2,215		11,864
Arkansas	25,120	6,257	16,266	1,171	⁵ 3,822	845	1,714	597	4,020	14,997		27,775
California	157,597	13,650	32,550	7,217	25,923	480	865	9,611	4,220	20,286		106,341
Colorado	42,787	5,938	14,611	641	⁶ 8,198	513	247	1,146	1,461	3,944	13	11,179
Connecticut	17,583	1,725	4,421	205	5,233		106	1,351	1,635	2,498		16,586
Delaware	2,331	462	1,373		525	4	11	268	314	800		5,178
District of Columbia	3,528	1,130	3,306	292	1,600		101	698	467	2,182		21,166
Florida	43,139	5,705	13,559	2,738	6,730	144	1,166	1,978	3,543	16,579		36,912
Georgia	66,195	4,717	11,329	2,033	4,762	663	2,156	4,046	8,080	16,376		38,158
Idaho	9,903	2,999	7,601	274	⁷ 1,107	94	90	530	1,061	2,423		1,980
Illinois	150,409	23,096	52,276	7,482	72,208	198	1,401	8,154	9,565	48,426	76	26,910
Indiana	70,512	14,944	31,084	2,356	⁸ 16,069	21	507	2,110	4,382	15,973		39,966
Iowa	56,555	3,166	7,040	1,539	12,820	44	262	4,575	3,601	9,326		5,218
Kansas	31,092	6,745	16,280	1,346	8,376	87	477	1,280	2,569	8,738		6,460
Kentucky	56,823	4,470	⁹ 1,550		¹⁰ 3,300	196	3,045	1,204	6,074	18,761		22,772
Louisiana	35,676	15,053	38,391	1,333	11,635	780	1,744	2,646	4,753	14,978		58,934
Maine	15,901	1,820	5,049	1,080	4,112	51	140	72	1,943	1,508		22,200
Maryland	16,536	5,372	14,901	614	6,134	64	219	1,375	1,354	3,445		46,668
Massachusetts	86,630	12,001	29,445	1,120	27,268	2	612	2,720	4,370	28,253		66,726
Michigan	92,465	20,766	48,026	1,396	25,980	219	1,191	6,746	6,087	20,117		15,121
Minnesota	63,139	8,906	21,451	1,027	15,248	329	922	5,549	4,282	17,248		12,711
Mississippi	26,902	2,575	6,604	1,370	656	438	2,028	1,906	4,352	15,157		32,774
Missouri	115,501	14,098	32,339	¹¹ 3,100	¹² 13,278	1,001	1,612	1,648	4,900	24,777		25,496
Montana	12,467	2,609	6,454	2,329	2,077	242	89	403	941	3,874		1,605
Nebraska	29,579	5,413	12,101	732	4,364	123	248	1,154	1,388	6,180		15,678
Nevada	2,209	¹¹ 111	¹⁴ 241	86	469	2	16	135	112	485		2,456
New Hampshire	7,312	841	2,110	338	2,823	13	48	390	544	2,344		14,069
New Jersey	29,880	8,380	19,107	716	¹³ 16,470	14	519	4,604	2,621	21,490	82,019	
New Mexico	5,102	2,365	6,971	235	¹⁴ 1,238	1,736	801	553	1,371	5,605		6,386
New York	118,915	27,661	54,930	2,757	¹⁵ 145,286	41	1,542	17,611	10,633	62,035	6	72,119
North Carolina	39,223	9,910	23,202	2,215	3,788	523	1,753	2,533	8,024	13,604		32,836
North Dakota	9,539	2,501	6,942	135	1,858	37	262	1,539	885	3,551		521
Ohio	139,373	11,535	30,247	3,041	31,660	78	1,423	7,114	6,440	31,999		29,883
Oklahoma	77,749	19,541	45,103	2,184	¹⁶ 9,930	441	2,050	1,971	6,997	19,069		23,912
Oregon	21,751	2,026	4,772	466	4,083	279	110	1,506	852	1,873		58,518
Pennsylvania	97,342	47,757	120,145	¹⁷ 13,931	48,417	146	2,744	13,306	12,526	49,655		102,263
Rhode Island	7,422	1,241	3,456	95	¹⁸ 4,036	1	74	431	541	2,543		18,904
South Carolina	21,030	4,020	11,762	815	2,305	(¹⁹)	1,508	2,146	3,294	14,513	100	26,355
South Dakota	14,797	1,863	4,355	255	2,436	91	240	322	1,363	3,216		590
Tennessee	39,995	14,223	35,408	1,657	²⁰ 2,300	76	1,927	1,184	4,900	16,894		49,798
Texas	174,154	15,054	31,607	3,135	6,155	792	4,944	5,862	12,239	41,031		124,324
Utah	14,569	3,489	9,167	167	2,824	43	65	851	840	2,560		17,197
Vermont	5,495	725	1,929	157	1,258	24	42	383	600	995		452
Virginia	19,783	4,963	14,313	1,080	4,590	84	1,450	3,400	4,105	7,233		94,628
Washington	64,282	4,876	11,782	990	5,999	146	156	2,236	2,831	3,955		63,264
West Virginia	23,487	12,673	33,651	1,031	11,586	48	1,252	1,754	6,445	15,915		9,185
Wisconsin	53,958	11,095	25,830	1,922	16,123	238	865	2,156	4,619	9,503		31,066
Wyoming	3,537	748	1,942	137	750	65	43	280	494	630		580

¹ See footnotes to table 2.

² Figures in italics represent programs administered under State laws from State and/or local funds without Federal participation.

³ Partly estimated; does not represent sum of State figures, because an estimated number of cases receiving medical care, hospitalization, and/or burial only in 3 States has been excluded, and data on cases aided in Oklahoma have been estimated to exclude duplication.

⁴ Total includes data for South Carolina, where number of cash grant payments canceled during month exceeded by 285 number of cash grant payments issued.

⁵ State program only; excludes program administered by local officials.

⁶ Includes unknown number of cases receiving medical care, hospitalization, and/or burial only.

⁷ Excludes cases receiving assistance in kind only and, for a few counties, cash payments.

⁸ Partly estimated.

⁹ Estimated.

¹⁰ Includes cases receiving medical care only; number believed by State agency to be insignificant.

¹¹ Represents 3,499 cases aided under program administered by State board of public welfare, and 6,431 cases aided by county commissioners; amount of duplication believed to be large.

EMPLOYMENT SECURITY

BUREAU OF EMPLOYMENT SECURITY • REPORTS AND ANALYSIS DIVISION

Operations of the Employment Security Program

Labor-Market Developments

Any lay-offs which may occur in war-production plants because of raw-material shortages and related difficulties will not alleviate the developing labor stringency. Workers who are laid off will be needed at their old jobs or in new war jobs as soon as the production problems responsible for the lay-offs have been worked out. These adjustments will probably be effected in a short time; consequently, these temporarily idle workers cannot be considered net additions to the available labor force. Our expanding production requirements have not changed, nor has our pressing need for labor. Present material shortages only increase the necessity for greater productivity per worker and for the fullest and most careful utilization of the labor supply.

Indicative of the developing labor stringency is the fact that out of 160 important industrial labor-market areas¹ analyzed by the Bureau of Employment Security in July, 35² had current shortages of male labor—2 more than in June. The shortages were principally in aircraft and ship-building centers. In 81³ additional areas—14 more than in June—shortages of male labor were expected on the basis of known production requirements. In August, 316 labor-market areas³, including many small communities, were surveyed. Of these, 50 were found to be areas in which there was a current shortage of local male labor, and 127 were areas in which a shortage of male labor was anticipated.

Rising employment, with its continued drain on the labor supply, points to an intensification of the problem of labor stringency in the future. For the third successive month, employment reached a new all-time high. Total employment, including agricultural, rose 700,000 in July, to 54.0 million.⁴ Nonagricultural industries absorbed 435,000 additional wage earners, and, de-

spite a decline in trade establishments, total non-agricultural employment rose to 37.1 million,⁵ the highest level on record. The July 1942 total of nonagricultural employment was 2.2 million above that for July 1941 and 6.5 million above July 1940. The number of wage earners in manufacturing industries rose 257,000 or 1.8 percent from June, the largest percentage increase for any month since June 1941, and factory pay rolls rose 2.4 percent. Normally, both employment and wages decline at this time of the year.

Available labor is being utilized in the war-production program not only through the hiring of millions of additional persons but also by putting an increasing number of employed workers on full-time or overtime schedules. Between June 1941 and June 1942, when total employment rose 3.1 million, the number of persons employed 40 or more hours a week rose 3.6 million, while the number employed less than 40 hours a week declined by 500,000.⁶ In June 1942, workers in 27 durable-goods industries averaged more than 44 hours. Nevertheless, the fact that more than one-sixth of all employed persons, in both war and nonwar industries and services, worked less than 40 hours a week in June suggests a considerable degree of unused manpower in the employed labor force. In addition, there were 2.8 million persons unemployed in July. The paradox of growing labor stringency in areas next to reservoirs of unemployed and underemployed workers indicates a maldistribution of the labor supply and the failure of employers to use women and minority groups to the fullest possible extent.

The weekly pay envelope of the average factory worker contained \$38 in June 1942, nearly a fifth more than a year ago. He earned 84 cents an hour for a 42.6-hour workweek, 14 and 4 percent, respectively, above last year. If he worked in an establishment producing durable goods, he earned \$44 a week, slightly more than a fifth above last year and \$16 a week more than a worker in an

¹ Includes all cities with a population of 100,000 or more and all other areas in which there is a known demand for at least 5,000 war workers.

² The August Bulletin, p. 39, erroneously attributed this figure to June.

³ Includes all communities of more than 25,000 population and also many of smaller size in which there is an important war demand.

⁴ Estimates of the WPA.

⁵ Estimates of the Bureau of Labor Statistics. Excludes proprietors, self-employed persons, and domestic servants; military and naval forces; and emergency workers (WPA, CCC, NYA).

**Table 1.—Summary of employment security operations,
July 1942**

Item	Number or amount	Percentage change from—	
		June 1942	July 1941
Insurance activities:			
Initial claims (local office)	557,349	-10.0	-26.2
Continued claims	3,207,138	+1.5	-11.5
Waiting-period	497,839	-17.1	-35.4
Compensable	2,709,299	+5.9	-5.0
Weeks compensated	2,618,500	+7.6	-4.7
Total unemployment	2,420,786	+8.8	-4.5
Part-total unemployment ¹	60,515	-18.2	
Partial unemployment ¹	133,740	+2.0	-2.2
Gross benefits paid	\$32,625,149	+7.9	+11.3
Net benefits paid since benefits first payable ²	\$1,942,330,101		
Number of benefit recipients:			
Estimated individuals during month	863,000	-1.6	
Weekly average for month	574,867	+4.0	-5.9
Placement activities:			
Placements ³	1,006,269	+9.0	+59.9
Agricultural ⁴	350,134	+24.9	+143.1
Nonagricultural ⁴	656,135	+2.0	+35.3
Applications (new and renewed) ⁴	1,653,639	-10.0	+3.6
Active file, July 17, 1942	3,254,240		

¹ Excludes Rhode Island; data not reported.

² 41 States reported this type of payment during both periods.

³ Louisiana and Tennessee not included for July 1942.

⁴ Excludes Hawaii; data not reported.

⁵ Data not comparable with previous months, because States are instituting procedure requiring maximum 60-day validity period for all registrants.

⁶ Excludes Alaska and Hawaii; data not reported.

establishment making nondurable goods. Weekly earnings in engine and turbine manufacturing averaged \$56, in the machine-tool industry \$52, and in shipbuilding \$53—all between 20 and 25 percent above last year's earnings. While in 49 of the 91 manufacturing industries surveyed by the Bureau of Labor Statistics in June 1942 the average weekly pay was less than 15 percent above June 1941, only 12 of these were war industries, 5 were industries greatly affected by restrictions on private building, and 32 were industries producing largely nondurable civilian commodities.

In view of the great demand for labor and the high level of wages, it has become increasingly difficult to find enough potential war workers who are willing to enroll in free public training courses without compensation. In some areas the potential labor supply for war industries consists largely of persons currently employed in nonwar industries, whose family responsibilities prohibit their leaving present employment to take unpaid training. Employment offices in many States, including Utah, Oklahoma, Georgia, and Pennsylvania, report this situation. On the other hand, little difficulty is experienced in recruiting for certain paid public and private training courses.

Several other factors have also been reducing the supply of trainees. The availability of so

many jobs requiring neither training nor experience counters efforts to induce persons to take training. June school graduates failed to fill the public training classes because many found jobs easily. The armed forces are taking a large number of potential male trainees. In addition, a lack of instructors and of materials, particularly welding rods, is holding up training programs in some areas. Instructors' salaries compare unfavorably with wages earned in private employment, and employers are not anxious to lend skilled workers or to pay them salaries to conduct training courses. The results of all these factors are illustrated by the situation in Pascagoula, Miss., a shipbuilding center, where training facilities were being operated at only one-fourth of capacity in July.

Because of the inadequate supply of white male trainees, more and more women are being admitted to training, and there is some increase in the training opportunities being offered to Negroes. At the end of June, women accounted for 35,500, or 18.5 percent of all enrollments in public pre-employment training courses, compared with 15.0 percent in May and 8.7 percent in March. The largest numbers of enrollees were in aircraft and machine-shop courses. The training of Negroes for war industries has lagged behind the training of women. Negro enrollment in public pre-employment training courses at the end of June totaled only 11,500, or 6 percent of all enrollments. More than a fourth of the Negro enrollments were in machine-shop courses, followed by aircraft, shipbuilding, and welding.

A special War Manpower Commission committee on the utilization of colleges and universities for war purposes has called the attention of all institutions of higher learning to a program which emphasizes that all students—men and women—must prepare for active and competent participation in the war effort and in support of civilian activities. The committee also proposes that financial assistance be granted to students who need additional training for war work.

There is increasing evidence that more and more women are entering or returning to the labor market to fill war jobs and to replace men who have joined the armed forces. Approximately 21,800 manufacturing, mining, construction, transportation, and communication and utilities establishments reported to the Bureau of Employment Security that of a total of 12 million workers

employed in July, 2 million were women. Employment of women in all industries over the past year has risen 2.1 million as compared with an increase of only 1 million men, according to the WPA. Although a large part of the increased hiring of women represents merely additional employment in occupations previously open to them, women are also being hired for work which had never before been considered possible for them to do. In Detroit, 26 percent of the persons hired in war industries during the past 60 days have been women. A large producer of radio equipment in New York is planning to employ 1,300 women out of a total staff of 1,600. An aircraft company in Los Angeles predicts that women will comprise approximately 30 percent of its future hires; an ordnance plant in Denver will employ up to 40 percent. Nevertheless, the utilization of women is still far from the maximum possible. Job analyses by the Bureau of Employment Security reveal that hundreds of occupations in the ordnance, shipbuilding, aircraft, transportation-equipment, and rubber-products industries are wholly or partially suitable for women, and the experience of foreign countries indicates that the proportion of women now employed here can be multiplied several times.

Although restrictive practices in the employment of minority groups still exist in most industries, the trend is toward relaxation as the labor market tightens. In many instances a determined effort is being made by employers to increase the employment of Negroes and other minority groups, both by integration and by the establishment of separate shifts. Where this is not being done, the USES and the War Manpower Commission attempt to persuade employers to modify hiring practices that retard production schedules. Because of the recent enactment of a statute the USES in New York will not serve any employer who refuses to employ qualified workers because of race, color, or creed. Nevertheless, discriminatory hiring policies are still widespread.

Inadequate housing and transportation facilities are factors of ever-increasing importance in discouraging in-migration and stimulating labor turnover in many localities. Lack of proper housing is reported to be the main cause of a labor stringency at some vital metal mines and war plants and the primary reason for workers' quitting at several shipyards. Severe artificial labor strin-

gencies have been created by housing shortages in Ogden, Utah, in Norfolk, Va., and in several other important war centers. Although transportation problems in some localities are being met by the extension of existing bus lines and the adjustment of schedules, every sign points to an intensification of difficulties as present equipment deteriorates and greater strains are placed on it.

High labor turn-over rates continue to trouble war employers and, in some industries, to impede production. In copper mining, for example, in spite of a growing need for increased output, 28 mines employing 31,000 workers reported that between March 15 and July 15 they had hired 5,600 workers and lost 6,200. Turn-over in the important lumber industry is more than 10 percent a month; green hands comprise a large proportion of hires. As a result, the War Manpower Commission on September 7 set up the first critical labor area in the country, in which, except under certain conditions, workers in nonferrous-metal and lumber industries may not switch to other jobs without first obtaining from the USES a certificate of separation from their old jobs. The area is composed of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Texas, Utah, Washington, and Wyoming. While the June turn-over rate in 11 major war-manufacturing industries with a total employment of 4.4 million was somewhat lower than in May, it was considerably higher than for June 1941. Voluntary quitting accounted for most of the separations in June, although the entry of workers into the armed forces was also a factor. Discharges and lay-offs were of negligible importance.

Placement Activities

During July, for the fifth successive month, the number of jobs filled by the USES increased as public employment offices further expanded their efforts to man the factories and farms of the Nation for war production. More than 1 million placements were made during the month, 9 percent more than in the previous month and 60 percent more than in July 1941 (table 2). The major part of the gain was due to a further sharp expansion in agricultural placements, although nonagricultural placements also increased slightly. During the first 7 months of 1942 nearly 4.7 million jobs were filled by public employment offices, 28 percent more than in January-July last year.

The sharp rise in agricultural placements occurred as harvesting and cultivating activities got under way in some areas and reached their peak in others. The 350,000 farm-work jobs filled

during the month were one-fourth greater than the number in June and, except for September and October 1941, exceeded the total for any month since January 1940, when comparable data

Table 2.—Summary of nonagricultural and agricultural placements, by State, July and January-July 1942

[Corrected to Aug. 22, 1942]

Social Security Board region and State	Total				Nonagricultural				Agricultural								
	July 1942		Jan.-July 1942		July 1942		Jan.-July 1942		July 1942		Jan.-July 1942						
	Number	Percentage change from—		Number	Percentage change from—		Number	Percentage change from—		Number	Percentage change from—						
		June 1942	July 1941		June 1942	July 1941		June 1942	July 1941		June 1942	July 1941					
Total ¹	1,006,269	+9.0	+59.9	4,697,821	+28.3	656,135	+2.0	+35.3	3,743,493	+24.2	350,134	+24.9	+143.1	954,328	+47.7	20.3	
Region I:																	
Connecticut	11,051	-1.0	+12.3	68,566	+13.2	9,306	-2.9	+5.3	64,468	+11.0	1,745	+10.6	+74.2	4,008	+64.8	6.0	
Maine	6,020	+1.1	+21.2	33,243	+33.6	5,681	-6	+23.0	32,284	+33.9	3,391	+40.7	-2.0	959	+22.3	2.9	
Massachusetts	12,340	+7.8	+16.6	74,728	+23.6	11,835	+5.6	+16.0	73,620	+23.9	505	+105.3	+34.0	1,108	+8.6	1.5	
New Hampshire	2,221	+5.6	-23.9	13,950	-8.1	2,103	+5.5	+25.7	13,447	-9.6	118	+6.3	+29.7	503	+62.8	3.6	
Rhode Island	3,061	+2.1	+39.9	19,543	+32.8	3,070	+3.7	+40.8	19,380	+32.7	11	(²)	(²)	163	+46.8	8	
Vermont	923	+1.8	-30.5	5,861	-24.4	516	-17.6	-50.2	4,950	-33.0	407	+44.8	+526.2	902	+154.1	15.4	
Region II:																	
New York	74,180	+12.1	+44.7	426,656	+37.3	64,329	+3.3	+32.9	410,948	+35.3	9,851	+153.2	+243.0	15,708	+130.8	3.7	
Region III:																	
Delaware	1,704	-12.5	+8.6	10,540	-4	1,580	-17.9	+3.1	10,156	-1.6	214	+68.5	+78.3	384	+42.8	3.6	
New Jersey	17,175	-6.4	+1.5	117,358	+10.1	12,887	-10.0	-21.5	107,549	+3.1	4,288	+6.2	+755.9	9,800	+335.4	8.4	
Pennsylvania	32,603	+6.2	+43.4	184,527	+34.6	30,943	+4.4	+40.1	180,443	+33.4	1,750	+50.6	+143.4	4,064	+130.3	2.2	
Region IV:																	
Dist. of Col.	5,377	-14.2	+7.2	41,780	+13.9	5,368	-14.1	+7.2	41,671	+13.9	9	(²)	(²)	100	+4.8	.3	
Maryland	17,374	+43.8	+104.6	66,443	+47.7	7,312	-9.2	+33.2	51,304	+31.7	10,062	+149.4	+235.4	15,139	+150.4	22.8	
North Carolina	28,368	-27.5	+55.2	149,577	-8.4	22,920	+6.0	+0.3	119,315	-13.6	5,448	-68.8	-16.8	30,262	+20.2	20.2	
Virginia	9,277	+22.0	-36.5	58,730	-26.0	8,196	+15.9	-40.4	56,833	-25.1	1,081	+104.0	+26.1	1,897	-44.5	3.2	
West Virginia	3,867	-18.6	-20.8	25,767	-8.8	3,542	-23.4	-25.3	25,231	-9.7	325	+164.2	+127.3	536	+66.5	2.1	
Region V:																	
Kentucky	12,276	-29.5	+156.1	68,061	+152.1	12,044	-25.8	+152.9	54,026	+110.7	232	-80.3	(²)	14,035	+934.3	20.6	
Michigan	28,450	+27.2	+64.1	125,977	+25.3	18,028	+4.9	+16.0	110,519	+15.9	10,422	+204.1	+478.0	15,458	+197.9	12.3	
Ohio	34,273	-15.3	+34.8	224,864	+37.1	30,709	-18.3	+25.2	214,900	+34.0	3,564	+23.0	+296.0	9,904	+170.7	4.4	
Region VI:																	
Illinois	30,984	+1.4	+33.7	175,018	+12.4	23,781	-3.4	+13.9	155,383	+4.3	7,203	+21.1	+214.1	19,635	+189.8	11.2	
Indiana	13,607	-6.9	-13.1	96,194	-1.3	12,011	-11.3	-22.0	92,284	-4.1	1,596	+49.6	+484.6	3,910	+222.6	4.1	
Wisconsin	18,573	+10.7	+55.8	87,082	+28.7	16,382	+9.2	+48.5	80,934	+26.2	2,191	+23.5	+147.0	6,148	+72.8	7.1	
Region VII:																	
Alabama	4,950	-38.3	-14.9	52,900	+36.2	4,732	-10.5	-11.7	46,126	+47.2	218	-92.0	-52.8	6,873	-9.1	13.0	
Florida	10,974	+.1	+102.8	60,811	+38.2	10,922	+5.3	+103.4	55,671	+31.2	52	-91.1	(²)	5,140	+226.8	8.5	
Georgia	9,561	+15.8	-8.3	54,666	-15.7	8,886	+14.9	+1.4	52,816	-10.1	675	+28.6	-59.2	1,850	-69.9	3.4	
Mississippi	20,912	+35.8	+117.4	60,653	+87.3	18,323	+51.6	+93.0	53,073	+71.8	2,589	-21.9	(²)	7,580	+407.7	12.5	
South Carolina	6,362	-13.0	-20.1	43,122	-18.3	5,939	-8.1	-21.6	41,337	-18.8	423	-50.1	+7.9	1,785	-5.0	4.1	
Tennessee	19,396	-9.0	+70.4	85,898	-21.3	7,974	-2	+8.8	49,506	-13.5	11,422	-14.3	+181.5	36,392	-30.0	42.4	
Region VIII:																	
Iowa	12,600	+31.5	+31.3	55,879	-2.7	7,351	-4.2	+5.5	44,881	-10.3	5,348	+160.8	+07.8	10,908	+40.1	19.7	
Minnesota	16,815	+30.5	+40.7	64,060	+24.8	9,389	-12.6	+22.7	50,306	+25.3	7,426	+247.2	+72.6	13,754	+23.0	21.5	
Nebraska	24,568	+107.8	+307.3	55,878	+141.8	9,225	-15.6	+116.8	38,729	+92.7	15,343	(²)	+763.4	17,149	+469.9	30.7	
North Dakota	4,315	+55.8	-28.0	16,027	-14.1	2,099	-5.9	-16.8	11,307	-7.8	2,216	+311.1	-36.2	4,720	-26.3	2.8	
South Dakota	5,408	+3.1	+67.7	18,369	+52.8	3,103	-37.4	+69.7	14,739	+55.0	2,305	+694.8	+65.2	3,630	+44.5	19.8	
Region IX:																	
Arkansas	71,744	+39.5	+530.2	262,901	+146.6	20,341	+27.4	+301.4	88,135	+234.3	51,403	+44.9	+713.9	174,856	+117.9	66.5	
Kansas ⁴	16,219	+26.8	-69,246	12,178	+26.2	60,509	+22.7	+24.7	4,041	+28.8	8,737						12.6
Missouri	47,673	+25.6	-166,572	34,296	+40.6	130,316	+30.6	+37.7	13,377	-1.4	36,256						21.8
Oklahoma	15,288	+25.9	+16.2	61,689	+30.6	5,681	-15.4	+3.9	38,739	+26.6	9,007	+77.0	+24.9	22,950	+37.8	37.2	
Region X:																	
Louisiana	5,761	-5.0	-18.3	42,069	-35.6	5,736	-3.1	-18.2	40,593	-36.1	25	(²)	(²)	1,476	-14.6	3.5	
New Mexico	5,619	+20.2	+170.9	23,705	+83.9	5,169	+57.3	+264.8	19,080	+96.0	450	-67.6	-31.5	4,625	+46.6	19.5	
Texas	88,924	+1.4	+29.0	44,769	+9.9	43,414	-14.5	+6.6	287,295	+22.2	45,510	+23.2	+61.4	153,474	-7.5	34.8	
Region XI:																	
Arizona	7,829	+29.7	+173.1	40,739	-12.4	4,344	+53.4	+86.5	22,089	+14.3	3,485	+8.8	+547.8	18,650	-31.3	45.8	
Colorado	14,967	+10.3	+21.4	52,682	+32.4	5,771	-17.8	+41.5	33,169	+50.1	9,196	+40.5	+11.5	19,513	+10.3	37.0	
Idaho	21,041	-16.2	+178.1	62,674	+81.9	5,648	+14.6	+118.1	20,355	+56.4	15,393	-23.7	+209.3	42,319	+97.3	67.5	
Montana	8,382	+28.8	+64.6	25,852	+43.6	5,254	+67.5	+105.8	15,385	+32.4	3,128	-7.3	+23.1	10,467	+64.0	40.5	
Utah	12,238	+2.9	+289.0	37,781	+151.2	5,039	+21.9	+143.5	22,192	+87.1	7,199	-7.2	+568.4	15,589	+389.8	41.3	
Wyoming	5,618	+53.3	+229.1	14,539	+45.9	5,194	+113.6	+285.3	11,934	+35.8	424	-63.6	+18.1	2,605	+120.8	17.9	
Region XII:																	
California	96,497	+5.9	+107.0	457,982	+77.1	71,822	+9.0	+87.7	384,803	+69.0	24,675	-2.5	+195.0	73,089	+136.3	16.0	
Nevada	4,237	+9.6	+46.6	19,524	+57.5	3,550	-1.3	+74.3	17,654	+68.5	687	+152.6	-20.0	1,870	-2.8	9.6	
Oregon	34,534	+20.5	+13.0	110,138	-2.0	12,230	-1	-7.3	65,841	+10.9	22,304	+35.8	+28.4	44,297	-16.5	40.2	
Washington	48,985	+17.5	+93.8	154,449	+79.5	19,135	+2	+26.3	95,740	+53.2	29,850	+32.1	+194.8	58,709	+149.4	38.0	
Territories:																	
Alaska	849	-2.9	-23.0	5,267	-19.6	847	+6.3	-23.0	5,167	-20.8	2	(²)	(²)	100	(²)	2.2	
Hawaii ⁵				6,326	+1.1				6,202	+4.5				124	-61.6	2.0	

¹ Does not include Hawaii for July; data not reported. All percentages based on comparable data.

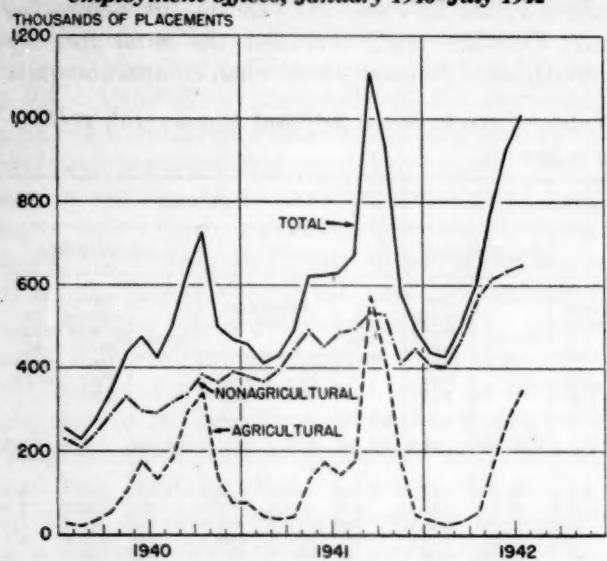
² Not computed, because less than 50 placements were made in 1 or both periods.

³ Increase of more than 1,000 percent.

⁴ Beginning Feb. 16, data for Kansas City, Kans., included with Kansas City, Mo.

⁵ Data not reported for July 1942.

Chart 1.—Placements of men and women by public employment offices, January 1940–July 1942



first became available. The June–July increase was in marked contrast to the declines for the same period of the past 2 years and reflected intensified Employment Service activity in agriculture. Farm placements were approximately 1½ times as great as in July of 1940 and 1941. Moreover, the approximately 956,000 agricultural jobs filled during the first 7 months of 1942 were almost half again as numerous as the total for the corresponding period last year and 75 percent greater than the number filled during January–July 1940.

The July gains in agricultural placements were greatest in Arkansas, Nebraska, Texas, and Washington, where the increases ranged from 7,300 in Washington to 15,900 in Arkansas. These 4 States, together with California and Idaho, accounted for more than half of all July farm-work placements. Large relative increases, of 170 percent or more, occurred in all the North Central States because of the wheat harvest, as well as in Michigan, Nevada, and New York. Declines from June, on the other hand, were reported by 17 States, including most of the Southern and Rocky Mountain States. Compared with July 1941, however, only 9 States reported fewer agricultural placements, and in 21 States such placements more than doubled. Placements in Arkansas, Mississippi, Nebraska, and New Jersey were more than 8 times the number reported for last July.

Nonagricultural placements rose only 2.0 percent above the June level to a total of 656,000, but

for the fourth successive month were greater than at any time since 1935, when placements on public works projects served to inflate the totals. They were one-third more numerous than last July and more than double the number for July 1940. During January–July 1942, the Employment Service filled 3.7 million jobs in nonagricultural occupations, almost one-fourth more than in the corresponding period last year and almost double the total for the first 7 months of 1940.

Although nonagricultural placements increased slightly for the Nation as a whole, 27 States reported declines. Among these were many of the important industrial States of the country, including Connecticut, Illinois, Indiana, Maryland, Michigan, New Jersey, and Ohio. A small number of highly industrialized States continued to account for the bulk of all nonagricultural placements. On the other hand, the major part of the increase from June to July in the number of nonfarm placements occurred, as in the past few months, in the predominantly agricultural States of the country. The sharpest increases, reported by Arizona, Arkansas, Kansas, Mississippi, Missouri, Montana, New Mexico, and Wyoming, reflected the growing proportion of war construction and production which, in recent months, has been allocated to the interior regions of the country. The unusually high levels which nonagricultural placements have reached in these States is evident from the fact that in most of them such placements were approximately 2 to 4 times as great as in July 1941. In all, only 12 States—including Indiana, New Jersey, and Oregon—made fewer nonfarm placements than last July.

The number of different individuals placed in nonagricultural jobs continued the steady rise begun in March; they totaled 475,000* in July or 4.6 percent more than in the previous month. During the first 7 months of 1942 a total of 2.7 million different individuals were placed in nonfarm jobs, a substantially greater number than were placed in both agricultural and nonagricultural jobs during the corresponding months of 1941. A total of 136 nonagricultural jobs were filled during July for every 100 persons placed in such jobs, virtually the same number as in the past 2 months. In several States, however, this ratio was considerably higher, reaching 202 in the District of Columbia, 188 in Washington, and 182

* Excludes Oregon and Rhode Island; data not reported.

in Utah, largely because of the many domestic-service jobs filled.

During the second quarter of 1942, the Employment Service placed women in only 32

percent of the nonagricultural jobs it filled as compared with 40 percent in the preceding quarter, but the 577,000 placements of women represented an increase of 14 percent, with most of

Table 3.—Nonagricultural placements, by sex and color, by State, January-June and April-June 1942

[Corrected to Aug. 25, 1942]

Social Security Board region and State	January-June 1942				April-June 1942							
	Men		Women		Men		Women		White		Nonwhite	
	White	Non-white	White	Non-white	Number	Percent-age change from Jan.-Mar. 1942	Number	Percent-age change from Jan.-Mar. 1942	Number	Percent-age change from Jan.-Mar. 1942	Number	Percent-age change from Jan.-Mar. 1942
Total	1,612,491	365,336	799,408	285,984	1,206,233	+56.3	576,926	+13.5	1,409,758	+40.7	373,401	+34.4
Region I:												
Connecticut	30,487	1,942	18,604	4,129	16,611	+5.0	11,616	+4.5	24,691	+1.2	3,536	+39.5
Maine	19,418	68	7,111	6	11,675	+49.5	3,957	+25.2	15,586	+42.4	46	(1)
Massachusetts	33,674	505	26,479	1,127	18,197	+13.9	15,060	+20.0	32,192	+15.1	1,065	+87.8
New Hampshire	7,910	39	3,386	9	4,353	+21.1	1,764	+8.2	6,093	+17.1	24	(1)
Rhode Island	7,940	159	7,917	294	4,007	-2.1	4,428	+17.0	8,185	+6.7	250	+23.2
Vermont	2,633	12	1,789	9	1,422	+16.3	897	-4	2,316	+10.0	3	(1)
Region II:												
New York	149,761	16,240	118,341	62,277	100,373	+52.9	94,870	+10.6	149,861	+26.7	45,382	+37.0
Region III:												
Delaware	1,836	1,268	1,511	3,961	1,867	+50.9	3,037	+24.7	1,955	+40.4	2,949	+29.3
New Jersey	34,404	6,827	30,868	22,563	21,287	+6.7	26,924	+1.6	32,856	+1.4	15,355	+9.4
Pennsylvania	77,766	8,509	47,285	15,940	50,467	+40.9	33,207	+10.6	60,361	+24.5	14,313	+41.2
Region IV:												
District of Columbia	6,196	10,237	4,413	15,457	9,047	+22.5	10,197	+5.4	5,013	-10.4	14,231	+24.1
Maryland	16,160	12,049	9,714	6,069	16,426	+39.4	8,688	+22.5	13,736	+13.2	11,378	+68.8
North Carolina	32,443	46,205	6,979	10,768	49,597	+70.7	9,752	+22.0	25,575	+84.7	33,774	+45.6
Virginia	13,559	19,717	4,951	10,410	17,106	+5.8	7,848	+4.5	9,686	+9.8	15,268	+2.8
West Virginia	10,574	1,394	6,417	3,304	7,840	+89.9	5,727	+43.4	10,648	+67.9	2,919	+64.1
Region V:												
Kentucky	26,404	5,497	7,877	2,204	26,248	+364.3	4,790	-9.5	25,594	+194.6	5,444	+141.2
Michigan	60,954	3,935	23,245	4,357	40,411	+65.1	15,318	+24.7	50,320	+48.5	5,400	+87.6
Ohio	95,966	15,917	51,364	21,004	69,602	+64.6	42,147	+39.5	87,949	+48.1	23,800	+81.4
Region VI:												
Illinois	70,634	6,268	45,343	9,357	45,329	+43.6	28,055	+5.3	64,378	+24.8	9,006	+36.1
Indiana	41,466	4,741	28,281	5,785	28,488	+60.8	17,830	+9.8	39,511	+30.7	6,807	+83.0
Wisconsin	40,305	381	23,005	861	26,869	+94.5	13,122	+22.1	39,075	+61.2	916	+181.0
Region VII:												
Alabama	15,077	14,260	6,313	5,744	13,151	-18.8	5,459	-17.3	8,661	-32.0	9,940	-1.1
Florida	15,923	13,695	5,558	5,735	19,856	+103.4	5,253	-13.0	13,274	+61.7	11,835	+55.8
Georgia	10,065	19,828	7,333	6,704	17,504	+41.3	7,063	+2.1	10,282	+44.5	14,315	+17.2
Mississippi	12,639	13,232	3,818	4,761	18,121	+125.1	4,573	+14.2	11,475	+117.2	11,219	+65.6
South Carolina	9,948	16,454	3,559	5,437	14,921	+30.0	4,555	+2.6	7,556	+27.0	11,920	+19.5
Tennessee	12,692	9,808	9,730	9,302	12,473	+24.4	9,773	+5.6	11,606	+7.3	10,640	+25.6
Region VIII:												
Iowa	25,108	368	11,874	180	16,849	+95.3	6,236	+7.2	22,747	+59.8	338	+61.0
Minnesota	23,427	139	17,223	128	15,921	+108.3	10,739	+62.4	26,449	+86.2	211	+276.8
Nebraska	21,879	581	4,369	67	17,740	+275.8	2,434	+21.6	19,765	+204.9	409	+71.1
North Dakota	4,916	1	4,291	0	3,475	+141.0	2,315	+17.2	5,789	+69.4	1	(1)
South Dakota	9,022	403	2,195	16	7,888	+413.2	1,204	+19.6	8,710	+247.4	382	(1)
Region IX:												
Arkansas	30,013	20,032	12,916	4,833	28,194	+29.0	10,332	+39.3	24,080	+27.8	14,446	+38.7
Kansas	36,780	2,435	8,224	892	20,680	-----	4,212	-----	22,945	-----	1,947	-----
Missouri	56,545	7,376	28,428	3,671	41,655	-----	17,518	-----	32,658	-----	6,515	-----
Oklahoma	18,665	2,720	8,904	2,769	12,081	+29.8	5,925	+3.1	14,700	+14.2	3,306	+51.4
Region X:												
Louisiana	8,792	10,154	4,512	11,399	9,893	+9.3	7,584	-8.9	6,747	+2.9	10,730	-9
New Mexico	11,478	584	1,730	119	8,678	+156.4	838	-17.1	9,056	+118.1	460	+89.3
Texas	140,706	52,286	36,471	14,418	114,212	+45.0	24,504	-7.1	103,656	+41.0	35,060	+10.8
Region XI:												
Arizona	8,644	2,929	3,665	2,507	6,301	+19.5	3,083	-2	6,696	+19.3	2,688	-2.2
Colorado	19,668	198	7,404	128	14,822	+193.9	3,813	+2.5	18,420	+112.9	215	+93.7
Idaho	11,103	28	3,570	6	8,486	+220.8	2,097	+41.8	10,558	+156.6	25	(1)
Montana	8,112	92	1,903	24	6,171	+203.5	1,088	+29.7	7,167	+151.7	92	(1)
Utah	12,773	24	4,347	9	8,218	+79.5	2,452	+28.8	10,649	+64.6	21	(1)
Wyoming	5,411	145	1,172	12	4,385	+274.5	677	+33.5	4,935	+199.5	127	(1)
Region XII:												
California	184,846	8,901	95,885	5,746	116,492	+50.8	56,770	+26.5	163,726	+39.9	9,536	+86.6
Nevada	11,018	235	2,522	329	7,546	+103.6	1,498	+10.7	8,670	+78.0	374	+96.8
Oregon	40,578	999	11,495	539	26,225	+70.8	7,128	+45.3	31,903	+58.2	1,450	(1)
Washington	61,703	331	14,482	89	42,052	+110.4	8,022	+22.5	49,739	+88.3	315	+200.0
Territories:												
Alaska	3,601	208	473	38	2,086	+21.1	254	-1.2	2,183	+15.4	157	+76.4
Hawaii	569	4,980	162	491	2,935	+12.3	263	-32.6	355	-5.6	2,843	+8.2

¹ Not computed, because less than 50 placements were made in 1 or both periods.

² Beginning Feb. 16, data for Kansas City, Kans., included with Kansas City, Mo.

³ Increase of more than 1,000 percent.

the States sharing in the rise (table 3). In only four States, however—Alabama, Arkansas, Massachusetts, and Rhode Island—did such placements constitute a larger proportion of the total than in the previous quarter. Fourteen States⁷ reported that women were placed in less than one-fifth of all nonagricultural jobs filled. In nearly every one of these States this low proportion marked a decline, rather sharp in most cases, from the preceding quarter. At the other extreme were the District of Columbia, New Jersey, New York, and Rhode Island, where approximately one-half to three-fifths of all nonfarm placements were of women. Each of these States had similarly high proportions in the first 3 months of the year.

The 373,000 placements of nonwhite persons in nonagricultural occupations constituted 21 percent of all nonfarm placements during April-June 1942. This proportion represented a slight decline from the first quarter, although the total number of nonwhite placements rose more than a third. Increases of three-fifths or more in the number of jobs filled by nonwhite workers were reported by 6⁸ of the States, where such placements comprised more than 10 percent of all nonfarm jobs filled.

In most of the Southern States and in Delaware, the District of Columbia, and Hawaii, nonwhite persons were placed in approximately one-half to seven-eighths of all nonagricultural jobs. For Delaware and the District of Columbia, the high proportion was due to the large number of nonwhite women placed, mainly in domestic-service jobs, while in the Southern States and Hawaii it was due to the large number of nonwhite men placed. In 14 States, mainly in the Eastern industrialized areas of the country, most of the nonwhite placements were of women.

Active file.—The number of different individuals with work applications in the active file of public employment offices as of July 17 totaled more than 3 million (table 4). This count is not comparable with figures for previous months, since a new procedure has been instituted requiring that the file be cleared of inactive registrations at least every 60 days.

⁷ Alaska, Hawaii, Idaho, Kansas, Kentucky, Montana, Nebraska, Nevada, New Mexico, North Carolina, South Dakota, Texas, Washington, and Wyoming.

⁸ Indiana, Kentucky, Maryland, Mississippi, Ohio, and West Virginia.

Applications for work filed with public employment offices during July dropped 10 percent below the previous month's total to 1.7 million. New applications fell off by 125,000, or 12 percent, to a total of 940,000.⁹ Except for June, however, this total was greater than that in any month since

⁹ Excludes Hawaii; data not reported.

Table 4.—Total applications received and active file of applications in public employment offices, by State, July 1942

[Corrected to Aug. 20, 1942]

Social Security Board region and State	Total applications received, July 1942	Active file as of July 17, 1942 ¹
Total ²	1,653,639	1,325,246
Region I:		
Connecticut	25,444	23,855
Maine	12,263	16,442
Massachusetts	58,534	113,819
New Hampshire	5,478	9,062
Rhode Island	9,140	24,634
Vermont	1,793	2,821
Region II:		
New York	185,380	470,666
Region III:		
Delaware	3,445	8,774
New Jersey	52,462	115,000
Pennsylvania	124,252	237,584
Region IV:		
District of Columbia	9,967	13,573
Maryland	25,652	26,268
North Carolina	27,228	49,663
Virginia	20,328	36,170
West Virginia	14,170	47,124
Region V:		
Kentucky	23,662	54,821
Michigan	73,713	134,964
Ohio	94,739	188,242
Region VI:		
Illinois	117,715	222,914
Indiana	43,362	103,041
Wisconsin	29,589	58,713
Region VII:		
Alabama	24,452	52,106
Florida	27,846	58,835
Georgia	31,478	82,372
Mississippi	22,638	52,212
South Carolina	16,086	29,445
Tennessee	18,292	52,046
Region VIII:		
Iowa	17,628	33,208
Minnesota	24,840	61,389
Nebraska	17,636	17,246
North Dakota	4,595	6,206
South Dakota	4,076	5,969
Region IX:		
Arkansas	41,859	44,267
Kansas ³	11,118	26,741
Missouri ⁴	54,019	169,980
Oklahoma	21,690	54,246
Region X:		
Louisiana	20,418	43,951
New Mexico	6,939	10,973
Texas	92,057	168,508
Region XI:		
Arizona	6,487	12,673
Colorado	15,438	17,855
Idaho	8,768	2,830
Montana	3,948	3,695
Utah	10,822	10,233
Wyoming	4,707	2,430
Region XII:		
California	143,983	215,308
Nevada	2,496	1,176
Oregon	17,077	30,146
Washington	22,907	30,100
Territories:		
Alaska	1,023	—
Hawaii	—	—

¹ Data not comparable with previous months, because States are instituting procedure requiring maximum 60-day validity period for all registrants.

² Excludes Hawaii; data not reported.

³ Excludes Alaska and Hawaii; data not reported.

⁴ Beginning Feb. 16, data for Kansas City, Kans., included with Kansas City, Mo.

January 1938 and reflected a large volume of new entrants into the labor market, especially women and students.

Vocational Training Activities

Referrals to pre-employment training reached a new high in June when the USES sent approximately 100,000 persons to public-school vocational classes and to NYA work projects (table 5). Referrals to the schools increased from 75,000 in May to 83,100, and referrals to youth work defense projects rose 59 percent to 16,000. Placements of trainees totaled 50,100, slightly more than in May.

As in previous months, far more persons were referred to pre-employment training by the USES in California than in any other State. New York, Michigan, Ohio, Texas, and Pennsylvania ranked next, and with California accounted for 47 percent of all such referrals to training classes. Pennsylvania, with a decline of 1,300, showed the greatest drop in referrals. In many localities it is becoming increasingly difficult to induce persons to enroll in training classes, since untrained workers can get jobs in war plants.

All new enrollments in pre-employment courses, as reported by the U. S. Office of Education, numbered 124,000, approximately 18 percent higher than the previous peak of 105,000 reached in April. The 99,200 USES referrals accounted for about four-fifths of all referrals to training classes, about the same proportion as during the

preceding 2 months but well above the level of Employment Service participation during the winter.

There were 50,100 trainee placements reported for the month, some 1,800 below the April peak. Those reported by the USES increased over May by 580 to reach a new peak of 21,700, but those reported by cooperating agencies dropped slightly, to 28,400. As in previous months, placements were greatest in several of the States which reported large numbers of referrals to training. California again placed more than twice as many trainees as any other State. New York ranked second with 4,100, and in Michigan, Texas, Massachusetts, Oregon, and Wisconsin more than 2,000 trainees are known to have found jobs. These seven States, which made 42 percent of the referrals to training in June, accounted for 48 percent of the total trainee placements made by the USES and cooperating agencies.

Machine-shop classes, which supply workers to the aircraft, shipbuilding, ordnance, and other war industries, are absorbing an increasing proportion of the trainees selected by public employment offices. More than 26,700 workers were referred to such courses in June, compared with 22,300 in May. Michigan, Ohio, California, Illinois, and Massachusetts reported 42 percent of all referrals to machine-shop classes. Referrals to aviation courses increased by 1,900. New York, California, Tennessee, and Missouri accounted for 55 percent of all referrals to these courses.

Referrals to shipbuilding courses, on the other hand, dropped from 7,600 to 5,200. More than 90 percent of this decline occurred in the West Coast States, probably because shipbuilding firms there are expanding so rapidly that a general labor shortage has occurred in several shipbuilding centers and workers without any previous training are frequently hired. Despite this situation, 69 percent of the referrals to shipbuilding and boatbuilding classes were concentrated in California, Oregon, and Washington.

Referrals of nonwhite workers continued to rise and numbered 5,400, or 5.5 percent of the total June referrals, compared with 4,400, or 5.2 percent of the total in May. California, Ohio, Maryland, Illinois, and Michigan were responsible for more than half of these referrals. Though the greatest numbers of nonwhite referrals were reported by California and Ohio, the 434 in Maryland repre-

Table 5.—Public employment office referrals to pre-employment and refresher defense training courses, placements on NYA defense projects, and jobs found by trainees, June 1942¹

Item	Number
Referrals to training courses and placements on NYA defense projects, total	99,151
Nonwhite.....	5,433
White.....	93,718
Placements on NYA defense projects	16,012
Referrals to training courses	83,139
Aviation services.....	16,766
Machine shop.....	26,741
Sheet-metal work.....	4,572
Shipbuilding and boatbuilding.....	5,244
Welding.....	17,407
All other.....	12,409
Jobs found by trainees, total ²	50,058
Placements by public employment offices.....	21,682
Employment reported by cooperating agencies.....	28,376

¹ Excludes Alaska and Hawaii.

² Represents jobs found by all trainees, regardless of agency which originally referred worker to training.

sented the largest proportion—nearly one-third—of such referrals in any one State. An example of the upward trend is to be found in Georgia, where 31 nonwhite persons were sent to training by the USES in June, compared with only 1 in May. However, the participation of the nonwhite group in war-industry training is not yet equivalent to their proportion in the total population. Moreover, since white workers have been absorbed by war industries at a much more rapid rate than non-white workers, Negroes are an important part of the remaining labor reserve.

The participation of women in war training is increasing more rapidly than is the case with the Negro group. At the end of June, 35,500 women made up 18.5 percent of all pre-employment trainees, according to the Office of Education. Almost half the women trainees were in aviation courses, and another 26 percent in machine-shop training. Geographically, they tended to concentrate in industrial States with large war contracts. California, New York, Pennsylvania, Ohio, Michigan, and Indiana accounted for half the women who entered training.

Insurance Activities

Unemployed workers received \$32.6 million during July as compensation for the loss of 2.6 million man-weeks of employment; these figures were, respectively, 7.9 and 7.7 percent above June levels. A sharp rise in benefit payments in New York, following the beginning of a new benefit year in June, was chiefly responsible for the increases. The 3.2 million continued claims, marking both

Chart 2.—Number of initial claims received in local offices, by month, July 1939–July 1942

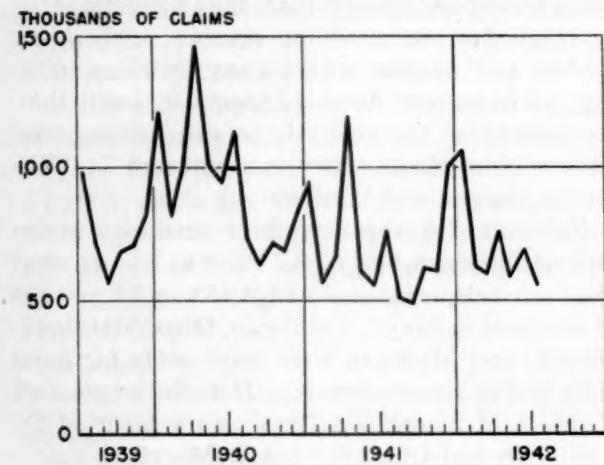
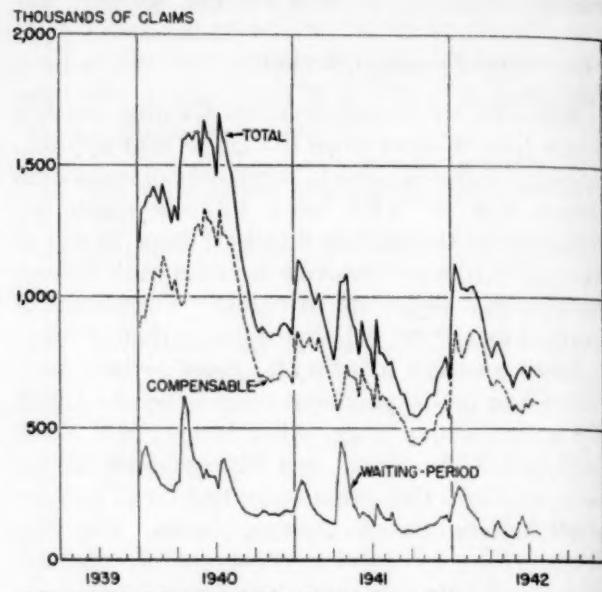


Chart 3.—Number of waiting-period and compensable continued claims received, for weeks ended in January 1940–July 1942¹



¹ Comparable data not available prior to January 1940.

compensable and waiting-period weeks of unemployment, however, were only 1.5 percent more numerous than in June and were 12 percent fewer than in July 1941. Benefit payments, on the other hand, were 11 percent greater than last July, as the result of higher base-period earnings and liberalized benefit provisions in a number of States. Disbursements for the first 7 months of 1942—\$255 million—were 13 percent greater than for the corresponding period last year.

Approximately 863,000 different individuals received at least one benefit payment during July, a slight decline from the preceding month. Of the 2.8 million persons unemployed in July, as reported by the WPA, it is estimated that 21 percent¹⁰ drew unemployment benefits, as compared with 20 percent in June.

Claims and payments.—Initial-claim receipts, after rising sharply in June as a result of the beginning of the new benefit year in New York, dropped 19 percent during July to a total of 557,000—the smallest total for any month this year. Moreover, initial claims were one-fourth fewer than in the same month last year and less than half the total for July 1940.

¹⁰ Obtained by dividing the WPA count of unemployment for July (taken during the week of July 5-11) into the average weekly number of benefit recipients during the month.

Twenty-eight States, including most of the important industrial areas of the country, reported a drop from the June level of initial-claim receipts (table 6). In 8 of the States, the declines were more than 25 percent. In most of the States with increases, the rise was probably due to the

initiation of new benefit years by many claimants in July, when an additional quarter of earnings became available for use in determining eligibility for benefits. In a few of them, however, the rise resulted primarily from new lay-offs necessitated by material shortages and further conversion of

Table 6.—Number of initial and continued claims received in local offices, by State, July 1942

[Data reported by State agencies, corrected to Aug. 20, 1942]

Social Security Board region and State	Initial claims				Continued claims				
	July 1942		January-July 1942		July 1942		January-July 1942		
	Number	Percentage change from June 1942	Number	Percentage change from January-July 1941	Number	Percentage change from—	Number	Percentage change from January-July 1941	
Total.....	557,349	-19.0	1,486,976	+8.2	3,207,138	+1.5	-11.5	25,512,258	-9.2
Region I:									
Connecticut.....	8,754	-18.8	67,831	+12.2	42,217	+4.6	+68.0	244,318	+11.5
Maine.....	1,877	-42.1	27,439	-29.4	15,206	-15.5	-6.7	126,862	-31.1
Massachusetts.....	23,342	-15.5	201,871	-20.4	140,712	-11.3	-31.7	983,316	-30.9
New Hampshire.....	1,804	-32.3	18,100	+3.4	8,194	-39.3	-19.7	85,311	-29.2
Rhode Island.....	6,710	-13.1	69,897	+8.3	58,335	-2.0	+56.6	333,343	+19.6
Vermont.....	413	-9.0	6,256	-26.2	2,270	-9.0	-7.6	33,317	-38.3
Region II:									
New York.....	141,296	-50.2	1,068,005	-4.0	853,643	+27.6	-4.3	3,839,273	-27.9
Region III:									
Delaware.....	927	+3.7	11,097	-8.2	4,685	+6.5	+16.8	55,440	+7.7
New Jersey.....	34,282	-4.9	252,679	+6.8	164,576	+5.3	+11.2	1,227,260	+14.7
Pennsylvania.....	21,378	-4.6	186,800	-38.1	148,281	-4.6	-42.3	1,415,662	-41.7
Region IV:									
District of Columbia.....	1,036	+7.2	9,570	-37.2	8,741	+1.1	-43.1	83,059	-42.9
Maryland.....	4,111	-11.9	49,785	-18.6	41,585	-2.1	-26.7	296,052	-20.1
North Carolina.....	13,740	+90.1	72,211	-12.0	47,053	+28.0	-31.4	370,443	-17.7
Virginia.....	3,570	-8.5	35,176	-32.7	45,768	-5.9	-9.6	263,113	-18.4
West Virginia.....	5,833	+26.0	40,980	-65.4	48,296	+30.9	+12.9	230,467	-45.1
Region V:									
Kentucky.....	4,202	+5.8	50,860	-2.3	28,345	+65.8	+33.8	157,513	+5.1
Michigan.....	35,473	+4.5	349,535	+28.3	158,407	-11.6	+5.2	2,345,133	+210.1
Ohio.....	16,238	+5.5	156,607	-14.2	123,483	-1.1	+4.9	1,232,281	-1.1
Region VI:									
Illinois.....	70,262	-7.9	553,464	+12.0	409,801	-1.9	+56.0	2,167,928	+14.4
Indiana.....	9,144	+3.2	96,100	+45.4	59,942	-13.5	+30.6	755,703	+80.8
Wisconsin.....	4,272	-27.6	* 57,467	-4.2	27,301	-21.4	-17.6	362,876	+42.5
Region VII:									
Alabama.....	9,007	+65.4	49,109	-21.3	44,058	+22.8	-15.1	303,195	-26.6
Florida.....	11,664	+60.2	64,241	-16.3	52,582	+14.9	-42.0	366,242	-4
Georgia.....	6,616	+24.1	50,523	-11.0	53,845	-3.9	+8.0	457,143	+34.6
Mississippi.....	2,903	+3.3	36,121	+2	12,477	-20.3	-44.4	193,724	+3.2
South Carolina.....	5,617	+40.4	41,421	+5.0	21,331	+4.5	-23.3	221,928	+22.2
Tennessee.....	9,132	+31.2	68,225	+8.9	61,213	-9.1	-9.5	559,018	+14.7
Region VIII:									
Iowa.....	2,812	-6.1	46,297	-9.5	15,848	-22.4	-33.3	259,713	-22.6
Minnesota.....	6,490	+1.2	82,443	-13.4	29,503	-21.1	-23.5	501,431	-21.2
Nebraska.....	988	+2.1	18,287	-12.6	4,489	-4.7	-44.1	106,859	-21.3
North Dakota.....	206	-21.4	6,195	-22.4	1,646	-24.9	-46.2	41,650	-29.3
South Dakota.....	99	-42.1	4,566	-24.0	1,281	-43.1	-67.7	28,296	-38.8
Region IX:									
Arkansas.....	6,694	+164.0	27,315	-46.3	11,477	+49.9	-59.1	107,057	-64.6
Kansas.....	2,257	-8.4	33,298	+1.1	11,282	-26.5	-34.1	186,865	+2.3
Missouri.....	12,206	+33.0	97,086	+11.3	70,894	-11.1	+11.0	668,681	+22.6
Oklahoma.....	3,871	+12.9	45,320	-15.0	22,811	-20.0	-3.4	244,453	-4.9
Region X:									
Louisiana.....	11,242	+40.7	80,167	-8.3	51,049	-11.3	-49.4	528,179	-5.3
New Mexico.....	424	-11.3	8,818	-5.9	2,987	-32.8	-58.4	60,650	-27.0
Texas.....	10,146	-4.2	114,538	-25.4	52,040	-18.4	-49.5	598,361	-24.6
Region XI:									
Arizona.....	937	-5.4	12,652	-9.6	3,577	-8.0	-56.9	42,038	-37.7
Colorado.....	1,064	+1.0	17,683	-31.7	8,742	-14.0	-53.3	93,405	-55.8
Idaho.....	655	+96.1	13,026	-29.7	2,132	-14.2	-70.3	82,684	-41.8
Montana.....	469	-5.1	11,943	-35.1	4,772	-31.1	-67.6	129,799	-45.1
Utah.....	1,374	+08.3	11,453	-26.7	3,516	-1.6	-61.0	69,282	-16.8
Wyoming.....	218	-20.7	5,602	-47.3	813	-27.3	-72.8	34,653	-38.7
Region XII:									
California.....	37,968	-6	425,122	-8.1	210,429	-16.2	-33.4	2,533,509	-14.9
Nevada.....	182	-1.1	3,624	-38.9	1,016	-18.3	-74.3	25,149	-58.8
Oregon.....	805	-51.9	34,763	-22.3	4,622	-27.6	-74.8	167,877	-35.6
Washington.....	2,473	-29.8	66,928	-45.3	7,925	-30.0	-73.8	257,177	-42.9
Territories:									
Alaska.....	5	(1)	1,418	1 - 67.7	506	-43.8	-73.2	15,840	-41.1
Hawaii.....	62	-61.7	2,393	-21.0	950	-53.7	+4.2	18,546	-14.8

¹ Excludes Alaska for June; data not reported.

² Excludes claims for partial unemployment.

³ Not computed, because less than 50 initial claims were reported in 1 or both periods.

plants to war production. Sharp increases—of 60 percent or more—occurred in Arkansas and Utah, where new uniform benefit years began in July, and in Alabama, Florida, Idaho, and North Carolina. Only 6 States received more initial claims this July than last, and in each of them the higher level resulted from war dislocations. Declines from last year of as much as 40–82 percent were reported by 25 States, including all those in the Rocky Mountain area, where employment has expanded greatly. Compared with July 1940, initial-claim receipts declined in every State.

Although for the Nation as a whole benefit payments increased from June to July, most of the States reported declines (table 7). In addition to New York, only 12 States had greater benefit outlays, and in 3 of these—Georgia, Massachusetts, and Rhode Island—the estimated number of different recipients declined. While most of the increases in disbursements occurred in eastern seaboard States, all the States west of the Mississippi, except Arkansas, reported declines, in most cases of 20 percent or more. Disbursements were greater than in July 1941 in 20 States, but in only 3 of them—Connecticut, Missouri, New Jersey—were they greater than in July 1940. Declines in payments, of more than 50 percent as compared with July 1941, occurred in nearly all the Rocky Mountain and Pacific Coast States as well as in Arkansas and South Dakota; in Wyoming, where payments amounted to less than \$6,000, the drop was 79 percent. For the first time since January,

Chart 4.—Amount of unemployment benefits paid, by type of unemployment, by month, July 1939–July 1942

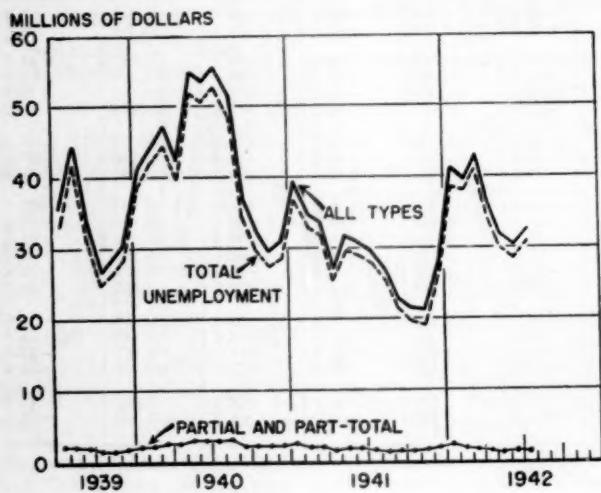
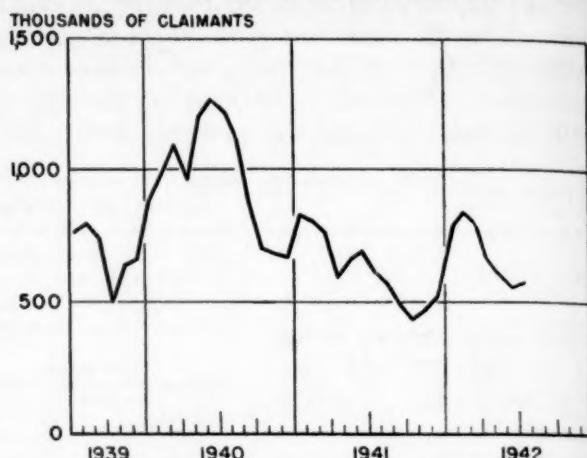


Chart 5.—Average weekly number of claimants drawing benefits, by month, July 1939–July 1942¹



¹ Data for 1939 represent number of recipients during midweek of month.

disbursements in New York (\$9.2 million) topped those of any other State. They were almost double the total in Illinois, the State with the next largest amount. These two States, with California and Michigan, accounted for almost three-fifths of all benefit payments, somewhat more than in preceding months of 1942.

Weeks compensated for partial unemployment in the 47 States¹¹ reporting these data rose 2.0 percent above the June level, although the number of weeks of all types of unemployment compensated in these States declined 8.1 percent. As a result, partial unemployment was of greater relative importance than in any month since January, but it accounted for approximately the same proportion of all weeks compensated as in July of last year. Although in the 47 States as a whole, partial unemployment constituted 7.5 percent of all weeks compensated, the proportion was 27 percent in Delaware, primarily because of curtailed activity in the apparel industry, and 25 percent in West Virginia, where there was considerable partial unemployment among bituminous-coal miners.

The number of first payments issued during July to claimants starting new benefit years dropped 11 percent below the June level, to 280,000.¹² This decline was attributable primarily to a sharp drop in New York, which had a considerable increase in first payments in June as the new uniform benefit year began. Although

¹¹ Excludes Montana, New York, Pennsylvania, and Rhode Island.

¹² Excludes Indiana and Wisconsin.

first payments were somewhat more numerous than in July 1941, they were two-fifths fewer than in July 1940.

The 72,000 individuals exhausting rights to further payments in their current benefit year were 21 percent fewer in July than in June. This

Table 7.—Number of benefit recipients, number of weeks compensated, and amount of benefits paid, by State, July 1942

[Data reported by State agencies, corrected to Aug. 20, 1942]

Social Security Board region and State	Benefit recipients		Weeks compensated for—				Amount ²	Percent- age change from June 1942	Benefits paid ¹					
	Average weekly number	Estimated number of different individuals during month	All unemployment		Total unemployment				Type of unemployment	Total	Part-total ³	Partial ⁴		
			Number	Percentage change from—	Number	Percent of all weeks								
Total	574,867	863,000	2,618,500	+7.6	-4.7	2,420,786	92.4	\$32,625,140	+7.9	\$30,983,818	\$625,495	\$1,063,818		
Region I:														
Connecticut	8,494	13,400	35,894	+18.4	+152.0	32,978	91.9	455,037	+17.3	430,823	173	23,307		
Maine	3,002	4,100	13,348	-10.0	-11.4	11,244	84.2	124,516	-7.0	107,368	3,168	13,980		
Massachusetts	29,118	41,900	142,945	+19.5	-19.7	135,294	94.6	1,551,939	+21.7	1,507,329	5,550	37,737		
New Hampshire	1,610	2,300	6,935	-33.8	-24.6	6,111	88.1	62,257	-31.6	57,847	279	4,131		
Rhode Island	11,254	14,900	53,574	-3	+61.4	50,415	93.6	675,710	(*)	660,103	(*)	14,551		
Vermont	408	600	1,908	-2.8	-2	1,762	92.3	18,220	-3.4	17,388	235	1,551		
Region II:														
New York	147,285	244,500	679,238	+95.0	-7.5	679,238	100.0	9,170,579	+95.1	9,170,579	(*)	(*)		
Region III:														
Delaware	960	1,600	4,326	+6.1	+26.1	3,101	71.7	40,050	+5.7	31,502	418	8,119		
New Jersey	27,498	42,900	121,266	-4.3	+17.4	108,171	85.1	1,571,430	-4.1	1,432,002	2,783	135,627		
Pennsylvania	22,109	36,000	108,733	+14.4	-25.6	108,733	100.0	1,308,288	+16.6	1,308,288	(*)	(*)		
Region IV:														
District of Columbia	1,552	2,200	7,089	+4.2	-41.0	6,767	95.5	93,006	+4.5	89,147	3,059	644		
Maryland	7,872	11,700	35,411	-3.7	-28.3	28,437	80.3	437,684	-3.4	381,216	976	55,168		
North Carolina	7,318	11,800	33,887	+3.2	-31.9	30,971	91.4	228,759	+5.8	218,671	1,209	8,806		
Virginia	9,381	11,900	41,257	-6.2	-8.2	39,356	95.4	386,804	-3.7	375,588	6,016	5,113		
West Virginia	6,848	11,800	31,414	+43.2	-18.9	23,527	74.9	330,851	+17.8	238,248	0	92,603		
Region V:														
Kentucky	6,383	8,800	28,184	-3.6	-25.8	25,896	91.9	226,960	-4	215,170	7,808	3,406		
Michigan	26,582	46,300	131,958	-25.5	+69.7	125,385	95.0	2,190,510	-24.4	2,123,109	30,190	37,211		
Ohio	21,694	29,300	92,998	-7.8	+19.0	81,427	87.6	1,090,102	-9.6	1,013,457	19,279	66,116		
Region VI:														
Illinois	82,460	113,000	374,408	-8	+60.7	318,741	85.1	5,045,968	-2.6	4,545,323	183,375	312,553		
Indiana	11,547	16,900	52,048	-14.9	+66.3	46,415	89.2	621,723	-14.2	584,298	18,639	18,570		
Wisconsin	5,172	7,500	22,803	-16.5	+32.0	19,608	86.0	280,051	-18.9	251,610	11,764	16,677		
Region VII:														
Alabama	6,574	9,000	31,168	+15.0	-18.5	29,518	94.7	288,328	+17.5	276,482	9,641	2,064		
Florida	9,324	14,600	41,814	+3.3	-27.7	37,513	89.7	414,370	+3	388,080	18,509	7,781		
Georgia	8,828	12,000	39,930	+2.2	+17.0	38,143	95.5	352,805	+2.4	340,934	5,233	6,543		
Mississippi	2,278	3,200	9,971	-32.8	-45.7	9,023	90.5	88,229	-34.7	82,576	2,422	3,213		
South Carolina	3,624	5,200	16,691	-3.7	-8.7	15,612	95.3	134,855	-4.1	129,575	3,029	2,193		
Tennessee	10,573	14,600	48,601	-2.9	+7	46,394	95.5	451,399	-3.8	437,102	9,477	4,820		
Region VIII:														
Iowa	2,758	4,200	11,684	-28.3	-30.9	9,805	83.9	113,312	-30.9	101,063	5,115	6,532		
Minnesota	5,594	7,800	24,928	-21.6	-22.3	21,563	86.5	298,814	-21.7	270,774	11,190	16,835		
Nebraska	744	1,100	3,555	-9.4	-43.4	3,230	90.9	33,459	-11.7	31,155	1,222	1,082		
North Dakota	320	400	1,434	-22.4	-43.5	1,212	84.5	14,357	-21.7	12,555	677	1,125		
South Dakota	261	300	1,069	-45.5	-9.5	937	87.7	9,175	-43.4	8,403	468	300		
Region IX:														
Arkansas	1,344	4,500	7,695	+9.9	-55.9	7,426	96.5	61,700	+17.9	60,063	939	668		
Kansas	2,096	2,900	9,210	-28.0	-29.6	8,475	92.0	94,293	-28.5	88,922	3,793	1,578		
Missouri	11,822	17,000	52,277	-16.8	+49.3	48,000	91.8	607,655	-18.0	579,276	6,946	21,072		
Oklahoma	4,372	5,900	19,292	-27.5	+7.4	17,411	90.2	226,251	-27.8	209,883	14,293	2,075		
Region X:														
Louisiana	8,455	12,000	37,144	-19.0	-38.5	34,976	94.2	353,755	-18.2	337,861	5,532	9,951		
New Mexico	589	800	2,612	-30.7	-52.4	2,491	95.4	24,751	-30.0	23,783	867	93		
Texas	7,906	11,400	35,424	-22.6	-41.2	31,886	90.0	299,479	-23.7	279,816	18,663	823		
Region XI:														
Arizona	585	900	2,594	-6.5	-60.1	2,507	96.6	29,550	-8.0	28,860	690	0		
Colorado	1,616	2,000	7,163	-14.2	-56.1	6,544	91.4	73,062	-16.4	68,042	1,581	3,079		
Idaho	272	400	1,144	-51.6	-73.9	1,080	94.4	11,394	-55.3	10,897	497	0		
Montana	831	1,100	3,545	-43.1	-69.1	3,545	100.0	36,685	-44.3	36,685	(*)	(*)		
Utah	475	600	2,459	-30.1	-55.2	2,279	92.7	34,198	-29.2	32,083	1,698	417		
Wyoming	128	200	573	-24.8	-70.4	429	74.9	5,961	-26.0	4,857	245	859		
Region XII:														
California	42,050	53,100	174,326	-21.5	-34.8	152,488	87.5	2,408,835	-21.3	2,276,721	100,218	115,716		
Nevada	185	200	785	-24.9	-74.6	737	93.9	10,063	-23.8	9,626	290	147		
Oregon	922	1,500	3,657	-27.6	-74.4	2,732	74.1	44,148	-27.6	35,668	3,072	4,938		
Washington	1,605	2,400	6,680	-26.6	-69.3	5,270	78.9	72,293	-27.3	59,279	3,308	9,078		
Territories:														
Alaska	78	100	331	-43.6	-76.6	314	94.9	4,538	-43.9	4,336	202	0		
Hawaii	181	200	790	-56.0	+4.2	669	84.7	9,982	-40.5	9,347	129	506		

¹ Not adjusted for voided benefit checks.

² Includes supplemental payments, not classified by type of unemployment.

³ Benefits for partial and part-total unemployment are not provided by State law in Montana, New York, and Pennsylvania.

⁴ Excludes Rhode Island; data not reported.

⁵ Increase of less than 0.05 percent.

decline was in marked contrast to increases of more than 50 percent for the same period of the past 2 years and reflected the change in the beginning date of the benefit year in New York. In the past 2 years increased exhaustions in New York were the chief factor causing the rise for the Nation as a whole; this year July exhaustions in New York dropped to zero. The national total of exhaustions was smaller than for any month on record and was less than half the number for July 1941. All but 9¹³ of the States shared in the decline from last year.

Status of funds.—Collections deposited in State clearing accounts during July—\$132 million—brought the total for the first 7 months of 1942 to \$674 million (table 8). Although this amount was 12 percent more than was deposited during the same months last year, the total for the first

6 months of 1942 had been 20 percent greater than for the corresponding period of last year. The relative decline from June to July in the cumulative totals was due, in part, to a change in the collection procedure in New York which causes the bulk of collections in that State to fall in the second rather than in the first month of a quarter. In addition, experience-rating tax reductions in 16 States, effective for the first time on January 1942 pay rolls, were responsible for decreased collections, as compared with last year, in most of these States. Included in this group were 6¹⁴ of the 7 States in which January-July collections were smaller this year than last. Funds available for benefit payments at the end of July totaled more than \$2.9 billion, an increase over the previous month of 3.5 percent and 35 percent more than on July 31, 1941.

¹³ Connecticut, Delaware, Florida, Michigan, Missouri, Rhode Island, South Carolina, Tennessee, and Vermont.

¹⁴ Delaware, Massachusetts, Michigan, Missouri, Ohio, Oklahoma; the seventh State was South Dakota.

Table 8.—Collections deposited in State clearing accounts, January-July 1942, and funds available for benefits as of July 31, 1942, by State

[Data reported by State agencies, corrected to Aug. 21, 1942]

Social Security Board region and State	Collections deposited ¹ January-July 1942		Funds available for benefits ² as of July 31, 1942	Social Security Board region and State	Collections deposited ¹ January-July 1942		Funds available for benefits ² as of July 31, 1942
	Amount	Percentage change from January-July 1941			Amount	Percentage change from January-July 1941	
Total.....	\$673,606,650	+11.6	\$2,943,011,054				
Region I:							
Connecticut.....	17,881,586	+11.3	80,783,739	Region VII—Continued.			
Maine.....	4,606,792	+39.4	11,488,407	South Carolina.....	\$3,800,301	+6.1	\$19,034,119
Massachusetts.....	23,329,285	-7.0	125,068,239	Tennessee.....	(*)		(*)
New Hampshire.....	3,269,992	+51.0	10,977,140	Iowa.....	4,869,071	+12.4	26,637,342
Rhode Island.....	9,511,524	+23.5	28,243,463	Minnesota.....	7,189,465	+25.0	31,211,299
Vermont.....	1,301,203	+13.1	5,696,755	Nebraska.....	1,570,145	+14.0	11,142,942
Region II:				North Dakota.....	537,631	(*)	2,652,883
New York.....	95,710,782	+3.4	352,202,890	South Dakota.....	417,113	-19.5	3,943,801
Region III:				Region IX:			
Delaware.....	1,219,658	-34.5	10,342,086	Arkansas.....	3,611,620	+75.5	11,455,905
New Jersey.....	41,239,810	+17.7	212,117,373	Kansas.....	4,173,706	+11.8	20,068,977
Pennsylvania.....	67,274,302	+35.3	269,573,327	Missouri.....	16,468,324	-3	89,431,684
Region IV:				Oklahoma.....	3,731,735	-7.3	23,036,224
District of Columbia.....	4,911,929	+36.2	29,029,597	Region X:			
Maryland.....	14,718,507	+31.0	45,890,204	Louisiana.....	(*)		(*)
North Carolina.....	12,845,247	(*)	44,851,673	New Mexico.....	1,035,945	+3.9	3,077,152
Virginia.....	6,127,139	+5.4	31,391,378	Texas.....	10,378,339	(*)	74,251,397
West Virginia.....	6,170,714	(*)	33,116,343	Region XI:			
Region V:				Arizona.....	2,043,290	+32.3	6,523,888
Kentucky.....	7,582,105	+13.6	47,183,842	Colorado.....	3,067,311	+4.7	15,723,249
Michigan.....	42,375,974	-12.5	132,983,603	Idaho.....	1,520,805	+20.7	4,326,175
Ohio.....	34,210,900	-10.4	252,780,805	Montana.....	2,212,012	+29.7	7,098,323
Region VI:				Utah.....	2,952,676	+36.3	7,846,412
Illinois.....	61,015,667	+31.9	285,760,490	Wyoming.....	872,027	+6.7	3,386,436
Indiana.....	19,897,756	+6.5	78,834,985	Region XII:			
Wisconsin.....	7,956,302	+23.2	74,600,718	California.....	70,382,080	+13.1	242,739,175
Region VII:				Nevada.....	1,035,398	+49.0	2,303,500
Alabama.....	7,953,125	+23.7	32,000,628	Oregon.....	6,947,609	+36.6	22,045,109
Florida.....	5,367,810	+1.1	17,374,524	Washington.....	15,785,754	+69.5	45,361,234
Georgia.....	6,989,123	+23.8	35,723,861	Territories:			
Mississippi.....	3,180,771	+33.5	7,854,910	Alaska.....	588,410	+77.1	2,316,704
				Hawaii.....	1,737,880	+25.1	10,656,546

¹ Represents contributions from employers, plus such penalties and interest as are available for benefits, and contributions from employees. Adjusted for refunds of contributions and for dishonored contribution checks. Current contribution rates, as a percent of taxable wages, are as follows: For employees, 2.7 percent in all States except Michigan, where rate is 3.0 percent; for employees, 1.5 percent in Rhode Island, and 1.0 percent in Alabama, California, and New Jersey. 34 States have adopted experience rating which modifies above rates. All States collect contributions either wholly or in part on quarterly basis.

² Represents sum of balances at end of month in State clearing account and benefit-payment account, and in State unemployment trust fund account maintained in the U. S. Treasury. State unemployment trust fund accounts reflect transfers to railroad unemployment insurance account.

³ Excludes Louisiana and Tennessee; data not reported for July.

⁴ Based on data for 46 States. See footnotes 3 and 5.

⁵ Not computed, because contributions for the 2 periods compared relate to wages paid during different numbers of months.

⁶ Increase of less than 0.05 percent.

Railroad Unemployment Insurance*

More than 6,600 workers filed applications for certificate of benefit rights in July (table 1), a decline of 63 percent from the 18,100 applications received by the Board in July 1941. About 180 of the applications were filed by workers whose first registered unemployment in 1941-42 occurred in the closing days of the benefit year.

With the beginning of the new benefit year in July, all claimants had to obtain certificates of benefit rights, even though they may have had such certificates for the previous year. Approximately 4,000 railroad workers were receiving compensation for unemployment when the new benefit year began, and a large part of them probably applied for new certificates of benefit rights. Some of the 10,000 workers who exhausted their benefit rights in 1941-42 also applied, although they were not as numerous as such workers had been in previous years. As indicated by the excess of applications filed in the first half of the month over the second, this factor seems to have

been significant only in the New York, Chicago, and Kansas City regions.

Unemployment was, of course, much smaller this year than last because of the high level of maintenance work on railroads and the demand for workers by other industries. The smallest decline from last year in applications for certificate of benefit rights occurred in the New York region. For the country as a whole, approximately 5,200 certificates of benefit rights were issued in July 1942 and 200 were held not qualified, primarily because of insufficient income in the base year. Some 140 new benefit-year applications were held pending final adjudication, and 1,100 remained to be processed at the end of the month.

Unemployment insurance claims.—Claims filed in July declined moderately from the number filed in June. Declines occurred in all regions except New York, and they ranged from 8 percent for the Cleveland and Chicago regions to 42 percent for the Denver region. In New York, however, there was a 12-percent increase in claims. Reports to the Interstate Commerce Commission indicated that class I railroads had 20,000 more employees on their pay rolls in July than they had in June. This figure is, however, a net total, and 111 of the

* Prepared by the Office of the Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board. Data for July 1942 represent calendar months; previous reports related to the period of 4 or 5 weeks nearest to the calendar month, but figures for previous periods have been adjusted accordingly and are strictly comparable.

Table 1.—*Railroad unemployment insurance: Applications for certificate of benefit rights received, claims received and benefit payments certified, by specified period, 1940-42*

[Corrected through July 1942]

Period	Applications	Claims	Benefit payments ¹		Applications	Claims	Benefit payments ¹	
			Number	Amount			Number	Amount
1942-43								
July, total.....	6,643	11,134	7,263	\$149,456	17,812	28,267	20,211	\$354,500
July 1-15.....	3,843	4,610	3,658	82,465	11,646	11,063	8,066	152,299
July 16-31.....	2,800	6,515	3,605	66,991	6,166	17,204	12,145	202,291
July weekly average.....	1,491	2,499	1,630	33,551	4,082	6,478	4,632	81,260
1941-42								
Weekly average:								
July.....	3,838	6,464	4,683	83,843	8,788	22,950	11,092	159,643
August.....	1,315	7,499	6,175	129,947	4,138	24,240	15,240	222,651
September.....	986	7,220	6,413	140,457	2,809	22,721	16,584	247,928
October.....	1,194	7,378	6,391	138,776	2,813	19,596	14,190	210,388
November.....	2,659	8,760	7,280	152,363	7,622	23,298	11,483	173,494
December.....	4,594	13,267	11,180	204,195	6,157	34,401	30,037	556,150
January.....	2,956	19,206	17,147	325,842	2,885	39,753	39,362	754,649
February.....	1,154	17,661	16,406	332,201	1,464	33,325	31,448	614,284
March.....	636	15,721	14,550	293,933	631	20,255	27,760	539,420
April.....	357	9,975	8,812	165,664	1,851	20,588	18,089	359,462
May.....	282	4,341	3,679	74,155	535	12,181	10,105	185,037
June.....	254	2,798	2,364	51,253	572	7,289	6,055	112,736

¹ Benefit payments in the upper part of table adjusted for underpayments and recovery of overpayments.

131 class I railroads reported decreases which totaled 5,700 among certain groups of employees. Many of these workers filed claims.

Approximately 11,100 claims were received, 7,500 were certified for payment, 134 claims were for waiting-period credit only, 1,300 were for registration periods with insufficient days of unemployment for the payment of benefits, 1,000 were pending, and nearly 3,300 other claims were received from workers who were not qualified for benefits or whose claims were held up because of the Board's move to Chicago and the opening of the new benefit year.

As in the case of applications for certificate of benefit rights, the number of claims in July was

affected by the return to the unemployment insurance rolls of workers who had exhausted their rights in the benefit year 1941-42. Such claims are filed at the end of the 2-week unemployment registration periods. This was the major influence in the increase of claims filed in the second half of July, which was approximately 40 percent higher than that in the first half. Compared to the number of claims for unemployment insurance in July 1941, the total for this July—the lowest monthly figure in the history of the Railroad Retirement Board—represents a decline of 63 percent.

Benefit certifications.—In July, 7,500 benefit payments amounting to \$154,000 were made to unemployed railroad workers. Recoveries of over-

Table 2.—Railroad unemployment insurance: Number of benefit certifications, average benefit, and average number of compensable days in benefit years 1941-42 and 1942-43, by specified period, July 1941-July 1942¹

[Corrected through July 1942]

Type of certification and period	All certifications				Certifications with 14 days of unemployment			Certifications with 8-13 days of unemployment			Certifications with 5-7 days of unemployment				
	Number	Average benefit payment	Average daily benefit	Average number of compensable days	Percent of all certifications	Average benefit payment	Average daily benefit	Percent of all certifications	Average benefit payment	Average daily benefit	Percent of all certifications	Average benefit payment	Average daily benefit	Average number of compensable days	
1941-42²															
Certifications for first registration period: ³															
July 19-Aug. 1, 1941	8,989	\$15.94	\$2.64	6.03	68.7	\$18.48	\$2.64	31.3	\$10.34	\$2.65	3.90				
Aug. 2-29	5,877	14.24	2.55	5.57	60.4	17.92	2.56	39.6	8.65	2.53	3.42				
Aug. 30-Sept. 26	3,465	14.45	2.58	5.60	58.3	17.99	2.57	41.7	9.50	2.61	3.64				
Sept. 27-Oct. 31	4,149	14.48	2.54	5.69	61.9	17.92	2.56	38.1	8.91	2.51	3.55				
Nov. 1-28	5,042	13.90	2.35	5.93	67.4	16.40	2.34	32.6	8.73	2.36	3.70				
Nov. 29, 1941-Jan. 2, 1942	16,488	14.39	2.35	6.13	72.5	16.36	2.34	27.5	9.22	2.40	3.84				
Jan. 3-30	15,512	14.06	2.57	5.47	61.3	17.57	2.51	38.7	8.51	2.79	3.05				
Jan. 31-Feb. 27	6,183	14.56	2.51	5.80	63.1	17.36	2.48	36.9	9.78	2.62	3.74				
Feb. 28-Mar. 27	3,016	15.29	2.68	5.71	61.2	18.90	2.70	38.8	9.57	2.60	3.68				
Mar. 28-May 1	2,048	16.33	2.82	5.79	60.6	19.81	2.83	39.4	10.94	2.79	3.92				
May 2-29	900	16.88	2.92	5.78	67.6	20.27	2.90	32.4	9.82	3.03	3.24				
May 30-June 26	813	18.06	3.04	5.94	64.9	21.66	3.09	35.1	11.70	2.95	3.97				
July 1-31	511	18.58	3.18	5.84	65.6	22.26	3.18	34.4	11.57	3.20	3.61				
Certifications for subsequent registration periods: ⁴															
July 19-Aug. 1, 1941	1,421	22.55	2.44	9.26	80.7	24.50	2.45	15.4	16.47	2.32	7.10	3.9	\$5.15	\$2.32	2.22
Aug. 2-29	18,156	23.36	2.66	8.79	71.8	26.90	2.69	22.0	17.18	2.53	6.79	6.2	4.93	2.50	1.99
Aug. 30-Sept. 26	21,671	22.91	2.64	8.66	69.6	26.77	2.68	22.9	16.82	2.52	6.69	7.5	5.08	2.49	2.04
Sept. 27-Oct. 31	27,617	22.82	2.64	8.63	67.6	26.85	2.68	25.2	17.23	2.53	6.81	7.2	5.13	2.55	2.01
Nov. 1-28	23,941	22.44	2.60	8.63	68.3	26.19	2.62	24.5	16.98	2.52	6.73	7.2	5.46	2.55	2.14
Nov. 29, 1941-Jan. 2, 1942	39,335	19.89	2.42	8.26	62.5	23.80	2.38	26.3	16.36	2.46	6.65	11.2	6.32	2.69	2.35
Jan. 3-30	52,982	20.45	2.35	8.70	60.7	23.37	2.34	23.5	16.13	2.39	6.74	6.8	5.35	2.54	2.11
Jan. 31-Feb. 27	59,326	20.84	2.36	8.84	71.6	23.48	2.35	22.5	16.50	2.40	6.89	5.9	5.21	2.49	2.09
Feb. 28-Mar. 27	55,125	20.47	2.37	8.64	68.4	23.60	2.36	24.1	16.37	2.39	6.85	7.5	5.14	2.46	2.09
Mar. 28-May 1	41,877	18.89	2.41	7.84	55.7	24.23	2.42	30.3	15.56	2.41	6.47	14.0	5.21	2.38	2.19
May 2-29	13,800	20.38	2.66	7.66	51.9	27.35	2.74	33.0	16.18	2.50	6.47	15.1	5.59	2.54	2.21
May 30-June 26	8,590	21.78	2.80	7.78	53.6	28.98	2.90	32.4	17.45	2.69	6.49	14.0	6.15	2.69	2.28
July 1-31	4,149	22.80	2.94	7.75	55.1	30.16	3.01	29.0	17.98	2.78	6.47	15.9	6.11	2.69	2.27
1942-43⁵															
Certifications for first registration period: ³															
July 1-31, 1942	2,457	16.59	2.82	5.88	60.7	19.95	2.85	33.3	9.87	2.82	3.65				
Certifications for subsequent registration periods: ⁴															
July 1-31, 1942	351	25.16	2.77	9.08	77.2	27.77	2.77	19.7	17.98	2.74	6.57	3.1	6.00	2.75	2.18

¹ Data based on 33.3-percent sample, except number of certifications and average benefit per certification.

² Benefits are payable for each day of unemployment in excess of 7 for first registration period and in excess of 4 for subsequent registration periods.

³ Benefit year 1941-42 ends with last registration period begun before July 1, 1942, and benefit year 1942-43 commences with first registration period begun on or after July 1, 1942.

payments or payments made in error to 250 beneficiaries, however, reduced the net amount to \$149,000 and the number of certifications to 7,300—32 and 29 percent, respectively, less than in June.

All regional offices of the Board recorded declines in benefit payments. The greatest—almost 50 percent—was reported by the Dallas region, but all the others except New York reported declines of 25 percent or more. The smallest decrease—5 percent—occurred in the New York region, but even this small decline is in contrast to the increase in claims filed in that region.

There were nearly 13,000 fewer benefits certified in July 1942 than in July 1941. Employment on class I railroads had increased 125,000 in the same period. The data for the various regions reflected the relationship between employment and benefit payments—for example, Dallas and San Francisco reported the greatest increases in employment and the largest declines in unemployment insurance payments.

Some 510 workers whose initial unemployment registration periods began during June received benefits in July. This group consisted in large part of train and engine men and other relatively high-income railroad workers; consequently, the benefits paid this group averaged \$18.58—the highest average benefit payment in the 1941-42 benefit year. With the opening of the new benefit year, a substantial number of workers who had exhausted their benefit rights for the previous benefit year again filed claims. Available data indicate that workers who exhausted their benefit rights are, in the main, extra gangmen, section laborers, freight handlers, and others with low earnings. The influx of such workers to the rolls in July resulted in an average initial payment of \$16.59 for claimants whose unemployment began in the new year. If the two averages are combined, we find that the average benefit payment certified in July for both the old and the new benefit years was \$16.94.

Benefit payments certified for subsequent registration periods of unemployment which began in June averaged \$22.80; those for periods which

began on or after July 1 averaged \$25.16. An unusually large proportion of registration periods with 14 days of unemployment accounted for the higher average payment to the latter group. All subsequent benefit payments made in July averaged \$22.99.

Accounts opened and closed.—Accounts were opened for 3,000 workers in July. Of that number, more than 500 were for unemployment periods which began before July 1 and extended into the new benefit year. The balance applied to periods of unemployment which began on or after July 1. It is likely that there is some duplication between the two figures. Workers who became unemployed for the first time in 1941-42 toward the end of June and remained unemployed through July would have accounts opened for the first period of unemployment, and, since new accounts are automatically opened for the first period of unemployment in each benefit year, accounts would again be opened for them. Over 1,000 accounts were exhausted in July, about 300 more than in June.

Employment service.—The continued upward trend of employment service operations resulted in the placement of 15,600 workers in July as compared to the previous high of 11,200 during June. The U. S. Employment Service and the WPA Division of Reemployment and Training assisted in more than 4,000 of these placements. Employers reported 17,400 openings available, but subsequently canceled 3,500, mainly because the supply of qualified workers was inadequate.

Placements were reported throughout the country. More than half, however, were made in the Midwest and South from the regional offices in Chicago, Kansas City, and Dallas. Of the total placements made, 12,989 were maintenance-of-way laborers. Placements of clerical workers accounted for 196, freight and baggage handlers for 137, train and engine service for 193, mechanics and helpers for 416, and various types of laborers other than track laborers for 1,697. Only 681 of all jobs filled were expected to last less than 30 days; practically all these were for cooks and waiters within the New York region.

OLD-AGE AND SURVIVORS INSURANCE

BUREAU OF OLD-AGE AND SURVIVORS INSURANCE • ANALYSIS DIVISION

Operations Under the Social Security Act

Monthly Benefits in Force and Payments Certified, June 1942

At the end of June, 596,000 monthly benefits were in force, approximately 16,500 more than at the end of the previous month (table 1). Benefits in conditional-payment status, continuing to increase as a percentage of all benefits in force, comprised 10.4 percent of the total at the end of June. The increase in the proportion of benefits in conditional-payment status was caused entirely by the increase in suspensions, as frozen benefits continued to decline as a percentage of the total benefits in force and constituted slightly less than 2.5 percent of the total at the end of June.

Monthly benefits in the amount of \$10.1 million were certified in June for 538,000 individuals (table 3). Approximately 56 percent of the total amount, or \$5.7 million, represented

Table 2.—Average amount of monthly benefits in force, by type of benefit and payment status, June 30, 1942¹

[Corrected to July 30, 1942]

Type of benefit	Total in force	Payment status			
		Current	Deferred	Conditional	
				Suspen-	Frozen
Primary	\$22.83	\$22.87	\$21.93	\$21.46	\$26.29
Wife's	12.15	12.19	11.41	11.22	13.48
Child's	12.18	12.21	10.98	11.46	12.04
Widow's	20.20	20.17	23.26	22.22	22.48
Widow's current	19.51	19.53	17.89	19.50	18.91
Parent's	12.98	12.99	11.00	13.43	0

¹ See footnotes to table 1.

primary benefits; 10 percent, or \$1.0 million, supplementary benefits to wives and children of living beneficiaries; and 34 percent, or \$3.4 million,

Table 1.—Number and amount of monthly benefits in force¹ in each payment status² and actions effected during the month, by type of benefit, June 1942

[Current month's data corrected to July 30, 1942]

Status of benefit and action	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of May 31, 1942	579,448	\$10,532,359	271,077	\$6,182,094	75,706	\$918,949	150,873	\$1,837,429	20,718	\$418,439	58,659	\$1,144,077	2,415	\$31,371
Current-payment status	516,478	9,313,329	232,746	5,316,160	67,129	817,565	143,305	1,750,619	20,489	413,195	50,406	984,569	2,403	31,221
Deferred-payment status	4,309	82,445	2,980	64,527	608	6,834	358	4,021	109	2,570	250	4,448	4	45
Conditional-payment status	58,661	1,136,585	35,351	801,407	7,969	94,550	7,210	82,789	120	2,674	8,003	155,060	8	105
Suspensions ³	44,105	818,926	26,668	573,501	5,758	64,792	5,872	66,699	67	1,479	5,732	112,350	8	105
Frozen benefits ⁴	14,556	317,659	8,683	227,906	2,211	29,758	1,338	16,090	53	1,195	2,271	42,710	0	0
Actions during June 1942:														
Benefits awarded	20,612	369,271	7,742	182,525	2,671	33,238	6,250	76,443	1,299	26,159	2,530	49,458	111	1,448
Entitlements terminated ⁵	4,228	73,520	1,361	31,848	700	8,586	1,372	17,512	85	1,612	693	13,724	17	238
Net adjustments ⁶	58	1,803	5	388	0	16	39	850	2	60	11	479	1	10
In force as of June 30, 1942	595,890	10,829,913	277,463	6,333,159	77,677	943,617	155,799	1,897,210	21,934	443,046	60,507	1,180,290	2,510	32,561
Current-payment status	529,876	9,554,886	237,459	5,431,459	68,760	838,431	147,674	1,803,424	21,664	437,580	51,789	1,011,528	2,500	32,464
Deferred-payment status	3,982	77,354	2,766	60,666	557	6,358	297	3,261	114	2,652	245	4,384	3	33
Conditional-payment status	62,032	1,197,673	37,238	841,034	8,360	98,828	7,828	90,525	126	2,814	8,473	164,378	7	94
Suspensions ³	47,318	876,663	28,539	612,351	6,143	68,945	6,436	73,767	72	1,600	6,121	119,906	7	94
Frozen benefits ⁴	14,714	321,010	8,699	228,683	2,217	29,883	1,392	16,758	54	1,214	2,352	44,472	0	0

¹ Represents total benefits awarded after adjustment for subsequent changes in number and amount of benefits (see footnote 6) and terminations (see footnote 5), cumulative from January 1940, when monthly benefits were first payable.

² Benefit in current-payment status is subject to no deduction from current month's benefit or only to deduction of fixed amount which is less than current month's benefit; benefit in deferred-payment status is subject to deduction of fixed amount which equals or exceeds current month's benefit; benefit in conditional-payment status is subject to deduction of entire benefit for current and each subsequent month for indefinite period.

³ Represents benefits which have previously been in current or deferred-payment status.

⁴ Represents benefits which have never been in current or deferred-payment status.

⁵ Terminations may be for following reasons: primary benefit—beneficiary's death; wife's benefit—beneficiary's death, death of husband, divorce,

or entitlement of beneficiary to equal or larger primary benefit; child's benefit—beneficiary's death, marriage, adoption, or attainment of age 18; widow's benefit—beneficiary's death, remarriage, or entitlement to equal or larger primary benefit; widow's current benefit—beneficiary's death, remarriage, entitlement to widow's benefit or to equal or larger primary benefit, or termination of entitlement of last entitled child; parent's benefit—beneficiary's death, marriage, or entitlement to other equal or larger monthly benefit.

⁶ Adjustments in amount of monthly benefit may result from entitlement of an additional beneficiary or termination of entitlement of an existing beneficiary when maximum provisions of sec. 203 (a) of the 1939 amendments are effective or from termination of entitlement of an existing beneficiary when minimum provision of sec. 203 (b) consequently becomes effective; adjustments in number or amount may also result from actions not otherwise classified.

Table 3.—Monthly benefits and lump-sum death payments certified, by type of payment, June 1942 and cumulative, January-June 1942

Type of payment	June 1942			Amount certified January-June 1942
	Number of beneficiaries ¹	Amount certified	Percentage distribution	
	Bene-ficiaries	Amount		
Monthly benefits ²				\$56,678,586
Primary	537,628	\$10,090,676	100.0	100.0
Supplementary	242,190	5,667,408	45.0	56.2
Wife's	80,140	962,471	14.9	9.8
Child's	69,937	879,373	13.0	8.7
Survivor's	10,203	113,068	1.9	1.1
Widow's	215,298	3,430,797	40.1	34.0
Widow's current	52,600	1,113,750	9.8	11.0
Child's	138,748	1,816,580	25.8	18.0
Parent's	2,482	36,248	.5	.4
Lump-sum death payments ³	4,917	1,278,487	—	7,657,256
Under 1939 amendments ⁴	9,105	1,276,070	—	7,611,418
Under 1935 act ⁵	72	2,417	—	45,838

¹ Differs from number in current-payment status, which takes account of changes in status effective after certification.

² Distribution by type of benefit estimated. Estimates revised February 1942.

³ Includes retroactive payments.

⁴ Represents number of deceased workers on whose wages payments were based.

⁵ Payable with respect to workers who died after Dec. 31, 1939, in cases in which no survivor could be entitled to monthly benefits for month in which worker died.

⁶ Payable with respect to workers who died prior to Jan. 1, 1940.

benefits to survivors of deceased insured wage earners.

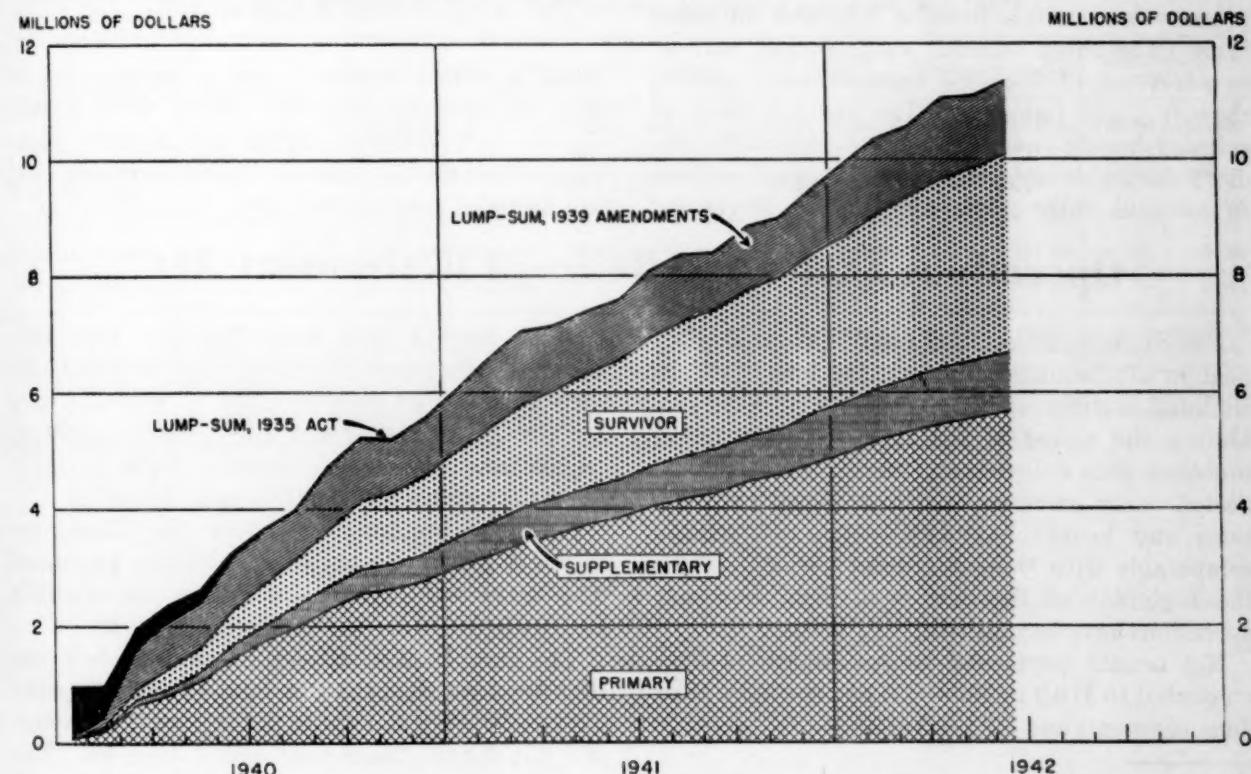
During the first 6 months of 1942, monthly benefits certified for payment aggregated \$56.7 million. Of this amount, \$32.1 million represented primary benefits; \$5.6 million, supplementary benefits; and \$18.9 million, survivors' benefits.

Table 4.—Number of monthly benefits and lump-sum payments awarded, by type of benefit and by quarter of award, January 1940-June 1942

Year and quarter	Monthly benefits							Lump-sum death payments ¹
	Total	Primary	Wife's	Child's	Widow's	Widow's current	Parent's	
1940								
Jan.-Mar.	40,780	28,211	4,366	5,978	168	2,057	0	7,046
Apr.-June	67,824	33,955	8,468	17,408	885	6,885	223	19,074
July-Sept.	76,113	38,245	11,981	17,220	1,560	6,782	325	23,703
Oct.-Dec.	70,267	31,924	9,740	18,776	1,987	7,536	304	25,182
1941								
Jan.-Mar.	74,567	32,802	9,901	20,597	2,703	8,227	337	30,633
Apr.-June	66,074	28,879	8,962	18,021	2,617	7,278	317	28,210
July-Sept.	65,593	27,238	8,598	18,745	2,786	7,632	294	29,610
Oct.-Dec.	63,052	25,741	8,452	18,256	2,914	7,305	324	28,850
1942								
Jan.-Mar.	68,181	27,009	9,161	19,596	3,505	8,027	283	33,410
Apr.-June	67,679	26,878	8,649	19,991	3,600	8,134	337	35,428

¹ Represents number of payees to whom lump-sum death payments were awarded on basis of wages of workers who died after Dec. 31, 1939.

Chart 1.—Amount of monthly benefits and lump-sum payments certified, January 1940-June 1942¹



¹ Prior to January 1940 the only certifications made were for lump-sum payments under the 1935 act. The primary, supplementary, and survivor benefits, begun in 1940, are monthly payments. See table 2 for the type of benefit included in each category.

Thus, the percentage distribution among primary, supplementary, and survivors' benefits of the total amount certified during the 6 months was only slightly different from that in June 1942.

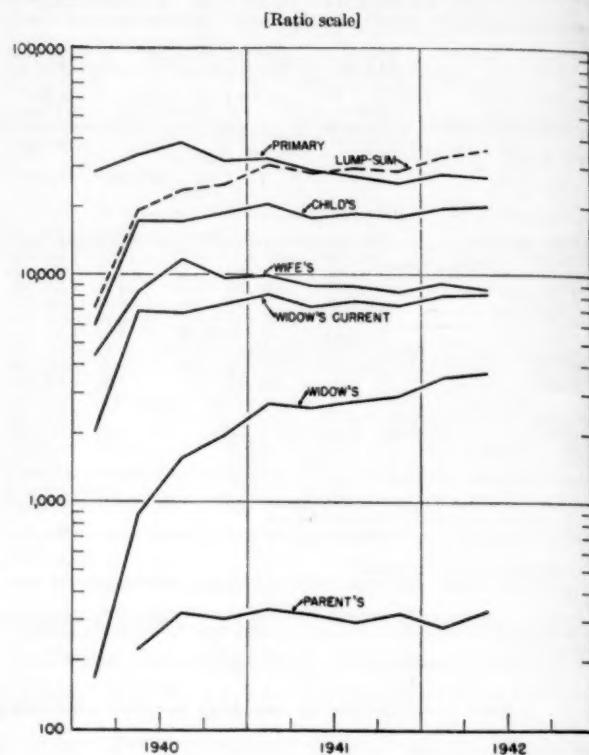
On the basis of preliminary data for July, it is estimated that \$10.4 million was certified for 551,000 monthly beneficiaries. Of the total amount, about \$5.8 million was certified for 247,000 primary beneficiaries, \$1.0 million for 81,800 supplementary beneficiaries, and \$3.5 million for 223,000 survivors. Approximately \$1.2 million was certified in lump-sum death payments based on the wage records of 8,500 deceased wage earners.

Monthly Benefits and Lump-Sum Payments Awarded, April-June 1942

Monthly benefits awarded during the second quarter of 1942 totaled 67,700, slightly less than in the previous quarter (table 4). In contrast, the number of lump-sum death payments awarded showed a 6-percent increase in reaching a new quarterly high of 35,400.

The decline in monthly benefits awarded was due entirely to a decrease in the number of primary and wife's benefits. Awards of other types of monthly benefits, made almost entirely to survivors of deceased insured wage earners, showed slight increases. The reduced level of primary-benefit awards reflects primarily the more favorable opportunities for aged workers to continue their employment. The downward

Chart 2.—Number of monthly benefits and lump-sum payments awarded, by quarter, January 1940-June 1942



trend in wife's benefits is not as pronounced as that for primary benefits. Many wives attain age 65 and become eligible for benefits some time after their husbands reach that age and are awarded primary benefits.

Operations Under the Railroad Retirement Act *

Recent data concerning adjudication and certification of claims have shown the effects of the Railroad Retirement Board's move to Chicago. During the period of the move, administrative processes were delayed, and the figures which reflected these processes—such as initial certifications and benefit payments—were not strictly comparable with those for other periods. With the beginning of the new fiscal year, however, operations have become relatively normal.

Net benefit payments for the month of July amounted to \$10.9 million—1.3 percent more than June payments and 3.7 percent above the monthly

average for the fiscal year 1941-42. From the beginning of operations through July 1942, almost \$568 million had been certified to the Treasury for 162,000 employee annuities, 48,600 pensions, 56,600 lump-sum death benefits, 3,400 survivor annuities, and 6,600 death-benefit annuities.

Employee annuities.—In July the Board received 1,484 applications for employee annuities. This total was slightly lower than the monthly average of 1,524 for the fiscal year 1941-42.

The number of initial certifications in July was slightly larger than that for June—1,342 compared with 1,329—but not quite as large as the average of 1,361 for the fiscal year ended June 30. The average monthly amount payable on July initial certifications was \$65.91.

*Prepared by the Office of the Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

There were 669 deaths of employee annuitants reported in July; the monthly average for the fiscal year 1941-42 was 737. Although there have been wide variations from month to month, the yearly averages of terminations have increased continuously, and, as the number of annuitants on the rolls increases, the number of deaths may be expected to rise further.

At the end of July, 126,432 retired annuitants were on the rolls, 677 more than in June. The average monthly increase during 1941-42 was 602. The relatively large increase in July is accounted for, in part, by the unusually low number of deaths reported in that month. As of July 31, the average monthly annuity in force, including those subject to recertification, was \$65.94.

Pensions.—Pensions terminated by death during July numbered 251, somewhat less than the 1941-42 average of 296 and considerably below the June figure of 395. At the end of July, 27,321 pensions were in force, at a total monthly rate of \$1.6 million. The average monthly pension was \$58.94.

Survivor payments.—Sixty-two survivor annuities were certified during July, double the average monthly number for the previous 12 months. Since fewer individuals have elected joint and survivor annuities in recent months, the figures for July reflect only the relatively large proportion of deaths in recent months of annuitants who had elected this type of benefit. Only 8 survivor annuities were terminated by the death of the beneficiaries, leaving 3,109 in force at the end of the month. The average monthly payment was \$32.26.

During July, 99 death-benefit annuities were certified and 85 were terminated, leaving 588 in force. The average monthly payment in force for July was \$36.18.

Initial certifications of lump-sum death benefits totaled 1,328 during the month, and the average payment was \$327.53 as compared with \$238.86 a year ago. Since this type of payment is based on the total compensation credited to an employee after December 31, 1936, the average benefit increases as time elapses.

Table 1.—Railroad retirement: Number and amount of annuities and pensions in force and net benefit payments certified to the Secretary of the Treasury, by class of payment, July 1942¹

Period and administrative action	Total		Employee annuities		Pensions to former carrier pensioners		Survivor annuities		Death-benefit annuities ²	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of June 30, 1942.....	156,963	\$10,036,485	125,755	\$8,290,660	27,582	\$1,626,465	3,053	\$98,553	573	\$20,745
During July 1942:										
Initial certifications.....	1,503	93,940	1,342	88,448	0	0	62	1,948	99	3,543
Terminations by death (deduct).....	1,013	63,399	669	44,611	251	15,462	8	277	85	3,048
In force as of July 31, 1942 ³	157,450	10,068,957	126,432	8,337,152	27,321	1,610,239	3,109	100,291	588	21,274
Total payments (net).....		\$10,941,864		8,708,797		1,578,870		106,326		34,070

¹ For definition of classes of payments, see the Bulletin, July 1939, p. 7. Except for total payments which are on calendar-month basis, data are based on month normally ended on 20th calendar day in which annuity or pension was first certified or terminated upon notice of death, or in which other administrative action was taken by the Board, rather than on month in which annuity or pension began to accrue, beneficiary died, or administrative action was effective. In-force payments as of end of month reflect administrative action through the 20th. Cents omitted.

² In a few cases, payments are made to more than 1 survivor on account of death of 1 individual; such payments are counted as single items. Terminations include those by death and by expiration of 12-month period for which death-benefit annuities are payable; nearly all terminations are of latter type.

³ After adjustments for recertifications, reinstatements, and terminations for reasons other than death (suspension, return to service, recovery from disability, commutation to lump-sum payment).

⁴ Includes \$513,799 for lump-sum death benefits.

SOCIAL AND ECONOMIC DATA

BUREAU OF RESEARCH AND STATISTICS

Social Security and Other Income Payments to Individuals

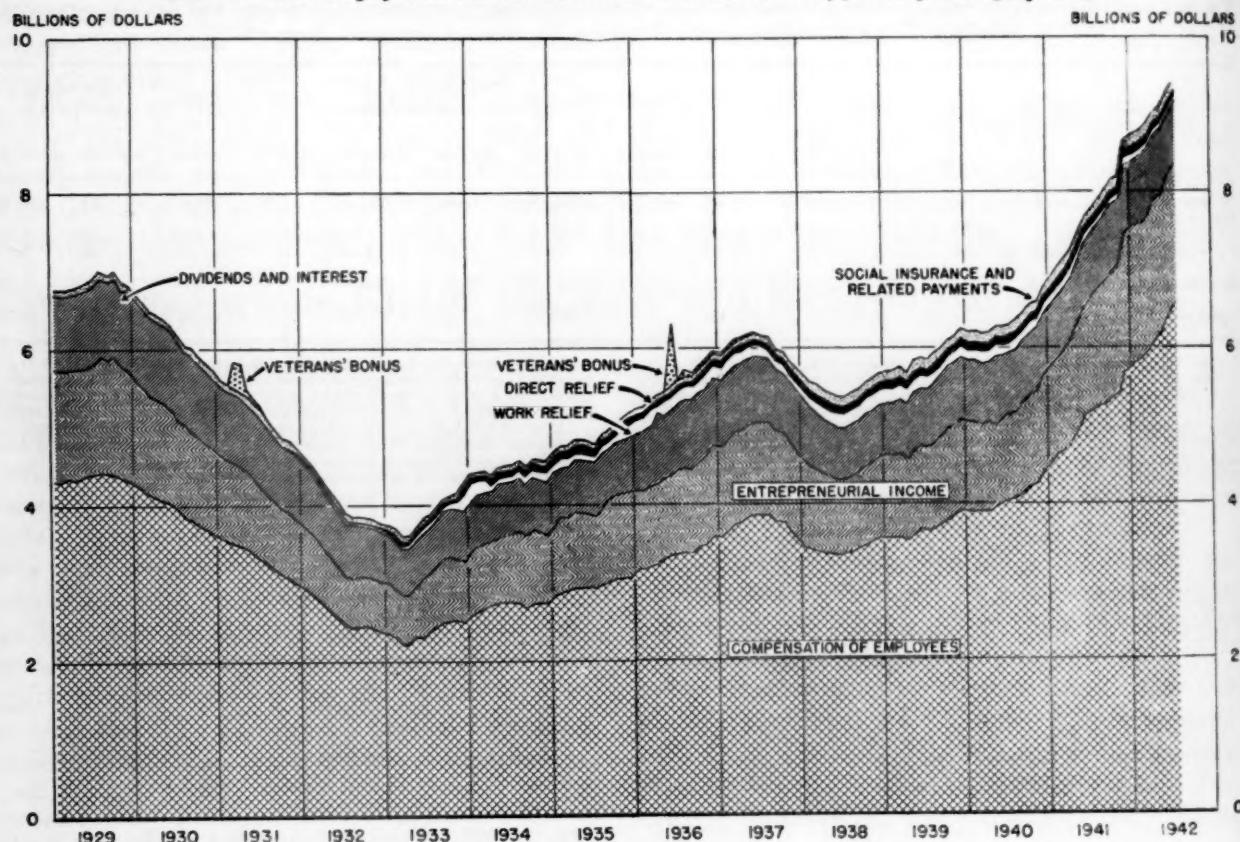
Income payments to individuals rose 1.4 percent in July to a new high of \$9.5 billion, or 22 percent above the July 1941 level. With the continued increase in income payments there have been some substantial shifts in the proportion which the various types of payment constitute of the total. Compensation of employees, which in July 1941 amounted to 66.6 percent of all payments, represented 69.5 percent of the total in July of this year; the proportion paid out in the form of entrepreneurial income, net rents, and royalties was almost 19 percent in both months, while dividends and interest dropped from 10.6 to 8.6 percent. Direct and work relief combined, which last July accounted for 2.3 percent of all payments to individuals, dropped in July of this year to 1.4 percent. Social insurance and related payments re-

mained relatively stable at slightly less than 2.0 percent of the total.

Compensation of employees—with an increase of \$145 million or 2.3 percent—was the only segment of income payments to show a gain of any significance over June. The present level of payments of this type, \$6.6 billion, is higher than the total of all payments for any month during the 10-year period March 1930–October 1940. While expanding employment is responsible for a considerable proportion of the increase in wages and salaries—as indicated by an increase of 6.4 million in employment from July 1940 to July 1942 according to estimates of the WPA—higher wage rates and longer hours of work also contributed to the over-all increase.

Social insurance and related payments were \$3

Chart 1.—*Income payments in the continental United States, January 1929–July 1942*



Source: U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce.

Table 1.—Income payments in the continental United States, by specified period, 1936–42¹

[In millions; data corrected to Sept. 2, 1942]

Year and month ²	Total	Compensation of employees ³	Entrepreneurial income, net rents, and royalties	Dividends and interest	Work relief ⁴	Direct relief ⁵	Social insurance and related payments ⁶	Veterans' bonus
Calendar year:								
1936	\$68,024	\$40,027	\$13,003	\$9,785	\$2,155	\$672	\$955	\$1,427
1937	72,365	44,689	14,162	9,891	1,639	836	1,020	128
1938	66,135	40,845	12,360	8,233	2,094	1,008	1,529	57
1939	70,809	43,981	13,346	8,891	1,870	1,071	1,616	34
1940	76,404	48,639	13,840	9,421	1,577	1,068	1,801	28
1941	92,122	60,782	17,352	9,910	1,213	1,112	1,734	19
1941								
July	7,763	5,172	1,441	826	86	90	146	2
August	7,882	5,241	1,494	832	80	90	143	2
September	7,994	5,265	1,579	841	79	89	140	1
October	8,130	5,363	1,606	851	80	89	140	1
November	8,196	5,405	1,617	863	79	90	140	1
December	8,666	5,678	1,781	879	87	92	148	1
1942								
January	8,738	5,750	1,784	870	77	94	162	1
February	8,802	5,845	1,762	865	72	95	162	1
March	8,879	5,932	1,753	858	75	94	166	1
April	9,061	6,074	1,815	850	68	92	161	1
May	9,124	6,202	1,779	840	58	89	155	1
June	9,336	6,429	1,781	829	53	87	156	1
July	9,463	6,574	1,781	817	45	86	159	1

¹ Compensation of employees, entrepreneurial income, net rents, and royalties, and dividends and interest adjusted for seasonal variation.

² For annual and monthly figures 1929–40, see the Bulletin, August 1941, table 1, pp. 74–76.

³ Wage and salary payments minus deductions for employee contributions to social insurance and related programs. Includes industrial pensions and payments to members of the armed forces.

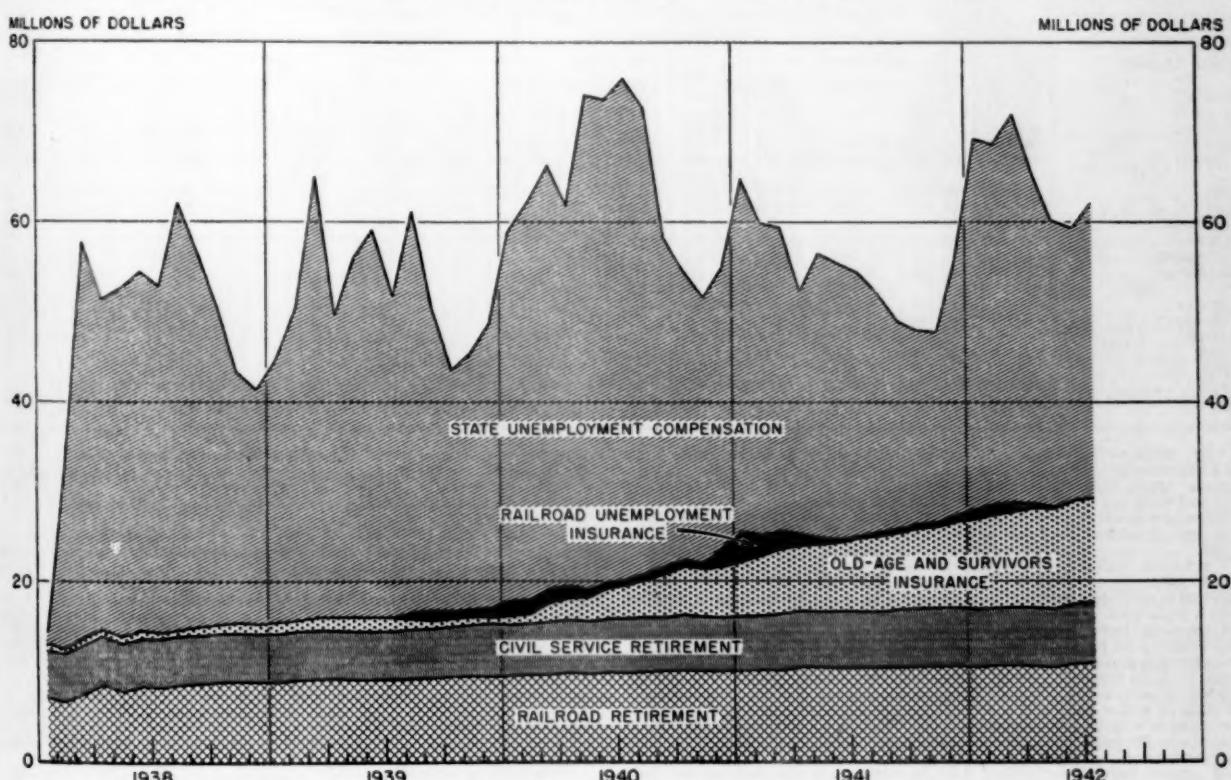
⁴ Earnings of persons employed by the CCC, NYA, and WPA. Excludes earnings of persons employed on other Federal agency projects financed from emergency funds; such earnings are included in the column "Compensation of employees."

⁵ Payments to recipients under the 3 special public assistance programs and general relief, the value of food stamps issued by the Agricultural Marketing Administration under the food stamp plan, and subsistence payments certified by the Farm Security Administration.

⁶ Represents payments under programs of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, veterans' pensions, workmen's compensation, State unemployment compensation, and railroad unemployment insurance.

Source: U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce.

Chart 2.—Payments under selected social insurance and retirement programs, January 1938–July 1942



million higher in July than in June; the rise was attributable in large part to the increase of more than \$2 million in payments under State unemployment compensation programs.

Payments in July under the three retirement systems and the two unemployment insurance programs for which monthly data are presented in table 2 amounted to \$62 million, or 39 percent of all social insurance and related payments as estimated by the Department of Commerce. Payments under these five programs were 4.5 percent higher than in June, and 13.8 percent above payments a year ago.

An examination of chart 2 reveals the fact that the level of total payments under these programs

is the result of two distinct patterns both with regard to the month-to-month and the year-to-year changes. In the first place there is a steady upward trend in payments under the retirement programs, interrupted by only minor fluctuations resulting from administrative factors. This upward trend was accelerated early in 1940, when payments under the old-age and survivors insurance program began to expand as the result of the 1939 amendments. There is relatively little change in payments under the retirement programs from month to month, but from year to year the increases are substantial. Compared with July 1941, monthly payments to beneficiaries under the old-age and survivors insurance program were

Table 2.—Payments under selected social insurance and retirement programs, by specified period, 1936-42¹

[In thousands; data corrected to Aug. 29, 1942]

Year and month	Total	Retirement and survivor payments								Refunds under the Civil Service Commission to employees leaving service ²	Unemployment insurance payments		
		Monthly retirement payments ³			Survivor payments						Total	State unemployment compensation laws ⁴	Railroad unemployment Insurance Act ⁵
		Total	Social Security Act ⁶	Railroad Retirement Act ⁷	Civil Service Commission ⁸	Social Security Act ⁶	Railroad Retirement Act ⁷	Social Security Act ⁶	Railroad Retirement Act ⁷	Civil Service Commission ⁸			
Calendar year:													
1936	\$50,372	\$56,377		\$683	\$51,630		\$2	\$1,278		\$4,062	\$2,864	\$131	\$131
1937	105,429	99,818		40,001	53,694		444	4,401		3,479	2,132	2,132	2,132
1938	566,752	169,640		96,766	56,118		1,383	10,478		291	4,604	3,326	393,786
1939	625,748	187,837		107,282	58,331		1,451	13,895		1,926	4,952	435,065	429,208
1940	764,399	226,533	\$21,075	114,166	62,019	\$7,784	1,448	11,734		2,497	5,810	3,277	534,589
1941	653,390	289,919	55,141	119,913	64,933	25,454	1,559	13,328		3,421	6,170	4,615	358,856
1941													344,321
July	54,465	24,466	4,718	9,964	5,418	2,201	131	1,179		317	538	337	29,662
August	52,065	24,537	4,901	9,999	5,406	2,308	133	1,155		278	357	27,044	26,494
September	48,915	24,906	5,024	10,081	5,452	2,375	132	966		251	605	455	23,554
October	47,935	25,390	5,235	10,114	5,462	2,498	134	1,100		303	544	484	22,061
November	47,715	25,551	5,383	10,199	5,516	2,579	129	1,029		256	460	489	21,675
December	55,417	26,184	5,611	10,189	5,519	2,736	134	1,131		362	502	460	28,773
1942													27,847
January	69,311	26,374	5,811	10,102	5,557	2,827	128	1,267		258	424	484	42,453
February	68,614	26,780	6,074	10,161	5,549	2,997	133	1,291		301	274	622	41,212
March	71,085	27,234	6,243	10,223	5,632	3,109	127	1,185		306	509	465	44,286
April	65,179	27,700	6,430	10,198	5,572	3,240	128	1,397		238	497	468	37,011
May	60,077	27,540	6,544	10,068	5,594	3,312	125	1,239		256	402	514	32,023
June	59,352	28,353	6,660	10,210	5,637	3,431	141	1,278		449	547	547	30,452
July	62,007	28,677	6,824	10,288	5,677	3,545	140	1,186		514	503	551	32,779

¹ Payments to individual beneficiaries under programs; data exclude cost of administration. 1941 calendar-year totals represent sum of unrounded figures; hence may differ slightly from sum of rounded amounts. For detailed data, see tables in program sections of the Bulletin.

² Represents old-age retirement benefits under all acts and disability retirement benefits under Railroad Retirement and Civil Service Retirement Acts.

³ Amounts, including retroactive payments, certified to the Secretary of the Treasury for payment; represent primary benefits, wife's benefits, and benefits to children of primary beneficiaries. Distribution by type of benefit partly estimated.

⁴ Amounts, including retroactive payments, certified to the Secretary of the Treasury for payment, minus cancellations, during month ended on 20th calendar day through November 1941; for December 1941, amounts certified from Nov. 21 through Dec. 31; for subsequent months amounts certified during calendar month. Monthly payments to survivors include annuities to widows under joint and survivor elections and 12-month death-benefit annuities to widows and next of kin.

⁵ Principally payments under civil-service retirement and disability fund but includes also payments under Canal Zone retirement and disability fund and Alaska Railroad retirement and disability fund administered by the

Civil Service Commission. Monthly retirement payments include accrued annuities to date of death paid to survivors. Data for calendar years 1936-39 estimated on basis of data for fiscal years. For discussion of benefits and beneficiaries under the Civil Service Retirement Act, see the Bulletin, April 1941, pp. 29-42.

⁶ Amounts, including retroactive payments, certified to the Secretary of the Treasury for payment; represent widow's benefits, widow's current benefits, parent's benefits, and orphan's benefits. Distribution by type of benefit partly estimated.

⁷ Amounts certified to the Secretary of the Treasury for payment; represent payments at age 65 for 1937-August 1939, payments with respect to deaths of covered workers prior to Jan. 1, 1940, for entire period, and, beginning January 1940, payments with respect to deaths of covered workers after Dec. 31, 1939. Payments at age 65 totaling \$651,000 in 1937, \$4.7 million in 1938, and \$4.6 million in 1939 are not survivor payments.

⁸ Amount of checks issued, reported by State agencies to the Bureau of Employment Security. Annual figures adjusted for voided benefit checks; monthly figures unadjusted.

⁹ Amounts certified by regional offices of the Railroad Retirement Board to disbursing officers of the Treasury in same city.

¹⁰ Preliminary estimate.

about 50 percent larger in July of this year, while increases of 3.3 percent and 4.8 percent, respectively, were recorded under the Railroad Retirement Act and civil-service retirement programs.

The other major factor in determining the level of total payments under these programs, changes in unemployment insurance payments, exhibits no such clearly defined movement. Payments of this type are, of course, very sensitive to economic conditions, and, in addition, they reflect changes resulting from higher base-period earnings, liberalization of benefits, and new benefit years. The change in payments for July of this year resulted from a combination of these factors. Payments in July under the State unemployment compensation programs amounted to \$32.6 million, an increase of 7.9 percent over June and 11.3 percent over July 1941. While payments for unemployment compensation for the country as a whole increased over June, decreases occurred in all except 13 States. New-benefit-year claims filed

in July accounted for increases in 7 of the 13 States; in 3 States the increase in payments appears to have been due primarily to war dislocations. In the remaining 3 States, since the estimated number of different recipients declined, the increase was due to liberalization of benefits or higher base-period earnings. The increase over July 1941 is evidently due in large measure to higher base-period earnings and more liberal benefit formulas, for, while payments increased 11.3 percent, the average weekly number of beneficiaries decreased 5.9 percent.

Railroad unemployment insurance payments of \$154,000 in July were 32 percent below June payments and 57 percent below payments a year ago. The level of payments for July is the lowest in the history of railroad unemployment insurance and reflects the continuing improvement in employment conditions in the railroad industry.

It is estimated that approximately 779,000 individuals received monthly benefits amounting to

Table 3.—Individuals receiving payments under selected social insurance and retirement programs, by month, July 1941–July 1942

[In thousands; data corrected to Aug. 29, 1942]

Year and month	Retirement and survivor beneficiaries								Separated employees receiving refunds under the Civil Service Commission ⁸	Unemployment insurance beneficiaries				
	Monthly retirement beneficiaries			Survivor beneficiaries						State unemployment compensation laws ¹⁰	Railroad Unemployment Insurance Act ¹¹			
	Social Security Act ¹	Railroad Retirement Act ²	Civil Service Commission ³	Monthly beneficiaries		Lump-sum beneficiaries ⁴								
				Social Security Act ⁴	Railroad Retirement Act ⁵	Social Security Act ⁷	Railroad Retirement Act	Civil Service Commission ⁸						
July 1941														
July	226.1	150.2	67.1	132.8	3.5	8.6	1.3	0.6	2.5	611.1	10.0			
August	235.9	150.6	67.5	140.5	3.5	8.5	1.1	.5	3.3	571.9	12.0			
September	244.0	151.3	67.5	146.4	3.6	7.2	1.0	.7	3.0	493.4	13.2			
October	253.4	151.8	67.8	154.0	3.6	8.0	1.1	.6	3.4	430.0	12.9			
November	261.3	152.5	68.4	160.4	3.6	7.5	1.0	.5	4.3	470.6	13.4			
December	271.5	152.9	68.6	168.5	3.6	8.2	1.2	.5	3.5	523.0	22.4			
January 1942														
January	282.5	152.8	69.3	176.1	3.6	9.1	.9	.5	4.1	706.6	35.1			
February	292.9	153.3	69.1	185.2	3.6	9.3	1.0	.3	4.2	837.6	33.6			
March	301.5	153.5	69.2	192.3	3.6	8.6	1.0	.6	4.2	803.1	29.2			
April	310.6	153.8	69.3	200.8	3.6	10.1	1.0	.6	4.3	668.3	16.9			
May	316.8	153.4	69.7	207.9	3.6	9.0	.8	.5	4.9	609.7	7.2			
June	322.3	153.3	70.0	215.3	3.6	9.2	1.4	.6	5.1	552.7	4.7			
July	328.5	153.8	70.4	222.7	3.7	12.5	1.3	.5	5.5	574.9	3.3			

¹ Primary beneficiaries and their wives and children, for whom monthly benefits were certified to the Secretary of the Treasury during month.

² Employee annuitants and pensioners on roll as of 20th of month; includes disability annuitants.

³ Annuitants under Civil Service, Canal Zone, and Alaska Railroad Retirement Acts; represents age and disability retirements, voluntary and involuntary retirements after 30 years' service, and voluntary retirement after 15 years' service, and involuntary separations after not less than 15 years' service. Includes persons receiving survivor benefits under joint and survivor elections, numbering 58 in July 1942. Figures not adjusted for suspension of annuities of persons reemployed under the National Defense Act of June 28, 1940, numbering 837 in July 1942.

⁴ Widows, parents, and orphans for whom monthly benefits were certified to the Secretary of the Treasury during month.

⁵ Widows receiving survivor benefits under joint and survivor elections and next of kin receiving death-benefit annuities for 12 months; number on

roll as of 20th of month. Widows receiving both survivor and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1.

⁶ Number of deceased wage earners with respect to whose wage records payments were made to survivors; for railroad retirement beneficiaries, number certified in month ending on 20th calendar day.

⁷ Represents deceased wage earners whose survivors received payments under either 1935 or 1939 act.

⁸ See footnote 3 for programs covered. Represents employees who died before retirement age and annuitants with unexpended balances whose survivors received payments.

⁹ See footnote 3 for programs covered.

¹⁰ Represents average weekly number of benefit recipients.

¹¹ Represents average number of persons receiving benefits for unemployment during a registration period of 14 consecutive days.

¹² Preliminary estimate.

\$26.5 million and 10,300 received lump-sum payments amounting to \$2.2 million under the retirement and survivor programs in July. Unemploy-

ment insurance payments amounting to \$32.8 million were received by about 578,000 individuals during the month.

Financial and Economic Data

Receipts

Social security taxes collected by the Federal Government during the first month of the new fiscal year amounted to \$52 million, \$5 million more than in July 1941 and \$10 million more than

Table 1.—Social security and total Federal receipts, expenditures, and public debt, by specified period, 1936-42
[In millions]

Period	General and special accounts										Change in general fund balance	Public debt					
	Receipts of Federal Government				Expenditures of Federal Government				Under the Social Security Act	Under the Railroad Retirement Board		Old-age and survivors insurance trust fund	Unemployment trust fund	Railroad retirement account	All other		
	Total ¹	Social security taxes ²	Railroad retirement and unemployment taxes ³	All other	Total ¹	Administrative expenses and grants to States ⁴	Net appropriations and transfers to old-age and survivors insurance trust fund	Administrative expenses				Excess receipts (+) or expenditures (-)	Trust accounts, etc., ⁵ excess receipts (+) or expenditures (-)				
Fiscal year:																	
1936-37	\$5,294	\$252	(0)	\$5,042	\$8,442	\$183	\$265	\$1	\$7,993	-\$3,149	+\$374	-\$128	\$36,425	\$267	\$312	\$35,846	
1937-38	6,242	604	\$150	5,488	7,626	291	387	3	\$146	6,799	-1,384	+306	-338	37,165	662	872	\$66 35,585
1938-39	5,668	631	109	4,028	9,210	342	503	8	107	8,255	-3,542	+890	+622	40,440	1,177	1,267	67 37,929
1939-40	5,925	712	126	5,087	9,537	379	539	8	121	8,490	-3,612	+137	-947	42,968	1,738	1,710	79 39,441
1940-41	8,269	788	144	7,337	13,372	447	661	7	124	12,133	-5,103	-148	+742	48,961	2,381	2,273	74 44,233
1941-42	13,668	1,016	178	12,474	33,265	501	869	10	141	31,744	-19,508	-3,506	+358	72,422	3,202	3,139	92 65,989
July	456	47	1	408	1,640	60	43	1	46	1,490	-1,185	+599	-34	49,513	2,371	2,333	108 44,701
August	554	167	6	381	1,687	43	157	1	1	1,486	-1,133	-2	+274	50,921	2,361	2,479	102 45,978
September	1,136	4	33	1,099	1,875	33	1	1	1	1,840	-739	-293	-607	51,346	2,556	2,479	91 46,220
October	489	48	1	440	2,126	56	43	1	32	1,904	-1,637	-225	+376	53,584	2,546	2,538	112 48,388
November	730	175	5	550	2,024	40	166	1	1	1,817	-1,294	-484	-322	55,040	2,536	2,706	102 49,696
December	1,214	6	36	1,172	2,544	33	2	1	1	2,508	-1,329	-328	+1,241	57,938	2,736	2,732	91 52,379
1942																	
January	614	51	1	562	2,664	56	36	1	32	2,539	-2,050	-633	-610	60,012	2,726	2,771	112 54,403
February	937	233	4	680	2,808	37	179	1	1	2,591	-1,871	+114	+612	62,381	2,761	2,923	102 56,586
March	3,548	5	44	3,499	3,422	31	1	1	1	3,389	+126	-234	-69	62,419	2,923	2,910	91 56,496
April	732	42	1	689	3,790	49	37	1	32	3,671	-3,058	-126	-642	64,961	2,913	2,914	112 59,022
May	764	213	9	542	4,155	53	201	1	1	3,900	-3,391	-257	-39	68,571	2,927	3,106	102 62,438
June	2,494	5	37	2,452	4,531	11	1	1	1	4,518	-2,037	-1,635	+179	72,422	3,202	3,139	92 65,989
July	794	52	1	741	5,208	79	47	1	113	4,968	-4,413	-4	+296	77,136	3,192	3,162	195 70,587

¹ Beginning July 1940, appropriations to old-age and survivors insurance trust fund minus reimbursements to the Treasury for administrative expenses are excluded from net receipts and expenditures of general and special accounts of the Treasury. These net appropriations are included here in both total receipts and expenditures for comparison with previous periods.

² Represents collections under the Federal Insurance Contributions Act and the Federal Unemployment Tax Act.

³ Represents total collections under the Carriers Taxing Act and 10 percent of collections under the Railroad Unemployment Insurance Act (see table 2, footnote 5).

⁴ Excludes public-debt retirement. Based on checks cashed and returned to the Treasury.

⁵ Excludes funds for vocational rehabilitation program of the Office of Education and for disease and sanitation investigations of the Public Health Service (see table 4, footnote 1); prior to Jan. 1, 1942, excludes grants to States for employment service administration under the Wagner-Peyser Act. Such grants are included in "all other"; since Jan. 1, 1942, includes Federal expenditures for operation of employment services in the States. Also

excludes administrative expenses incurred by the Treasury prior to July 1940 in administration of title II of the Social Security Act and the Federal Insurance Contributions Act. Includes expenses incurred by the Social Security Board in administration of the Wagner-Peyser Act, beginning July 1940.

⁶ Includes expenditures for administration of railroad unemployment insurance, amounting to \$500,000 in 1938-39, \$4,987,000 in 1939-40, \$3,397,000 in 1940-41, \$2,506,000 in 1941-42, and \$168,000 for 1942-43; also includes \$5,990,000 expended since April 1941 for acquisition of service and compensation data of railroad workers in accordance with Public Res. 102, approved Oct. 9, 1940.

⁷ Includes all trust accounts, increments resulting from reduction in weight of gold dollar, expenditures chargeable against increment on gold (other than retirement of national bank notes), and receipts from seigniorage.

⁸ Beginning July 1939, contains separate book account for railroad unemployment insurance account and for each State employment security agency.

⁹ Less than \$500,000.

¹⁰ Excludes amounts reimbursed to the Treasury for administrative expenses, which were part of transfer.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

ployment tax receipts represented 6.7 percent of total Federal revenues in July, as against 10.5 percent a year earlier.

All contributions collected under the selected social insurance programs in July totaled \$185 million (table 2), of which \$132 million or 71 percent was collected by State agencies as State unemployment contributions.¹ Federal insurance contributions of \$49.4 million represented 27 per-

¹ Data for Tennessee was not received in time for inclusion.

Table 2.—Social insurance taxes under selected programs, by specified period, 1936-42

[In thousands]

Period	Old-age and survivors insurance		Unemployment insurance		
	Federal insurance contributions ¹	Taxes on carriers and their employees ¹	State unemployment contributions ²	Federal unemployment taxes ³	Railroad unemployment insurance contributions ⁴
Cumulative through July 1942	\$3,470,348	\$688,631	\$84,807,321	\$8576,710	\$202,154
Fiscal year:					
1936-37	104,346	345	(8)	757,751	-----
1937-38	514,406	150,132	(8)	190,104	-----
1938-39	530,358	109,257	803,007	100,869	-----
1939-40	604,694	120,967	853,955	107,523	49,167
1940-41	690,555	136,942	888,450	97,677	68,162
1941-42	895,619	170,012	1,003,901	119,944	84,738
July	44,815	872	146,570	2,234	50
August	159,525	5,638	107,460	7,477	573
September	3,366	31,111	6,781	910	18,103
October	45,674	1,058	148,239	2,169	86
November	168,458	5,202	119,673	6,808	939
December	4,323	33,866	10,447	1,267	19,209
1942					
January	38,579	1,277	154,912	12,710	107
February	181,446	4,161	122,536	71,269	786
March	2,773	41,574	5,471	1,995	22,351
April	39,173	1,206	122,109	2,853	5
May	203,740	9,023	143,747	9,302	684
June	3,747	35,025	5,955	952	21,845
July	49,371	977	131,543	2,842	87

¹ Tax effective Jan. 1, 1937, based on wages for employment as defined in Internal Revenue Code (ch. 9, subch. A, sec. 1426), payable by employers and employees.

² Tax effective Mar. 1, 1936, based on wages for employment as defined in Carriers Taxing Act, payable by carriers and employees.

³ Represents contributions plus penalties and interest collected from employers and contributions from employees, deposited in State clearing accounts. For differences in State rates, see p. 52, table 8, footnote 1. Data include contributions based on wages from railroad industry prior to July 1, 1939. Subsequent transfers from State accounts to railroad unemployment insurance account in unemployment trust fund, amounting to \$105,900,769 as of July 31, 1942, are not deducted. Figures reported by State agencies, corrected to July 31, 1942.

⁴ Tax effective Jan. 1, 1936, based on wages for employment as defined in Internal Revenue Code (ch. 9, subch. C, sec. 1607), payable by employers only. Amounts represent Federal tax collections after deduction for amounts paid into State unemployment funds on covered wages earned in previous calendar year.

⁵ Tax effective July 1, 1939, based on wages for employment as defined in Railroad Unemployment Insurance Act, payable by employers only. Computed from data in Daily Statement of the U. S. Treasury. Represents 10 percent which is deposited with the Treasury and appropriated to railroad unemployment insurance administration fund for expenses of the Railroad Retirement Board in administering act, and 90 percent which is deposited in railroad unemployment insurance account in unemployment trust fund and is not included in receipts of general and special accounts of the Treasury. Amounts, therefore, differ from figures on p. 64, table 1, which represent only the 10 percent deposited with the Treasury.

⁶ Tennessee data for July 1942 not available.

⁷ Includes \$40,561,886 subsequently refunded to States which did not collect taxes on 1936 pay rolls and in which employers paid full tax to the Federal Government.

⁸ Not available.

cent of the total. Receipts under four of the five programs shown in table 2 were higher in July than in the same month a year ago; State unemployment contributions were lower partly because changed collection procedures in New York will postpone the bulk of collections in that State to the second month of each quarter. In addition, the operation of experience rating has reduced the amounts collected this year in many States.

Federal insurance contributions in July exceeded contributions in the first month of the previous quarter and in July of last year. July contributions are based primarily on taxable pay rolls during April-June. According to the Bureau of Labor Statistics, the unadjusted index of pay rolls in manufacturing rose from 182.9 in March to 197.7 in June. Similarly, the index of factory employment rose from 135.1 in March to 139.1 in June.

Changes in other economic indexes which reflect the movements of factors affecting social security receipts also suggest that collections in the current quarter will reach a new peak. Most business indicators maintained high levels in July. The unadjusted Federal Reserve Board index of industrial production rose 4 points above the June figure to 181. Employment and pay rolls in manufacturing advanced in July to the highest level on record, bringing the factory employment index to 141.6 and the manufacturing pay-roll index to 202.4.

The Bureau of Labor Statistics index of cost of living in large cities increased 0.4 percent from mid-June to mid-July; on July 15 the index was 11 percent higher than a year ago and 16 percent higher than in December 1940. The recent rise has been primarily in goods and services which are not subject to price ceilings. Retail food prices were 1.1 percent higher than in June.

Collections of Federal insurance contributions and Federal unemployment taxes by internal revenue collection districts for the last quarter of 1941-42 and for the entire fiscal year are shown in table 3. Federal insurance contributions amounted to 88 percent of all social security taxes collected by the Federal Government during the year and were 30 percent above collections in 1940-41. The increase was general, with the districts in every State sharing in the rise. Federal unemployment tax collections during the fiscal year—\$120 million—were 20 percent above those in

the preceding period, and all collection districts, with the exception of those in Arizona and Wyoming, participated in the increase.

Expenditures

Total Federal disbursements in July 1942 exceeded receipts by \$4,413 million and were more than three times as large as disbursements in July 1941 (table 1). This excess of disbursements, together with a \$296 million increase in the general fund balance and a \$4 million decline

in trust account balances, resulted in an increase of \$4,714 million in the public debt. As of July 31, the combined holdings of the old-age and survivors insurance trust fund, the unemployment trust fund, and the railroad retirement account totaled \$6.5 billion, or 8.5 percent of the interest-bearing public debt of the United States Government. The computed average rate of interest on the interest-bearing public debt continued to decline—to 2.249 percent at the end of July. Therefore, any special certificates and notes which

Table 3.—Federal insurance contributions and Federal unemployment taxes,¹ by internal revenue collection district, April-June 1942 and fiscal year 1941-42

[In thousands]

Internal revenue collection district in—	April-June 1942			Fiscal year 1941-42		
	Total	Insurance contributions ²	Unemployment taxes ³	Total	Insurance contributions ²	Unemployment taxes ³
Total	\$260,236.0	\$247,047.7	\$13,188.3	\$1,015,738.3	\$895,756.9	\$119,981.4
Alabama	2,460.0	2,350.0	110.0	9,120.1	8,087.1	1,033.0
Arizona	405.6	396.1	9.6	1,513.5	1,353.3	160.2
Arkansas	775.2	742.9	32.3	2,973.8	2,629.8	343.9
California (2 districts)	17,187.4	16,666.3	518.1	66,112.1	58,804.1	7,307.9
Colorado	1,204.1	1,142.9	61.2	5,363.6	4,758.4	605.2
Connecticut	6,532.1	6,291.3	240.8	24,008.4	21,220.0	2,788.4
Delaware	2,798.8	2,626.9	171.9	9,432.9	8,421.5	1,011.4
Florida	1,971.0	1,894.4	76.6	7,387.0	6,567.2	819.7
Georgia	2,819.9	2,676.6	143.3	10,854.6	9,630.7	1,223.8
Hawaii	782.5	749.0	33.6	3,083.3	2,653.8	429.5
Idaho	354.1	347.1	7.0	1,758.7	1,562.6	196.1
Illinois (2 districts)	22,232.9	20,832.3	1,400.7	88,112.1	77,550.0	10,562.1
Indiana	5,017.1	4,803.7	213.4	20,348.9	18,001.8	2,347.2
Iowa	1,980.0	1,907.9	72.2	8,533.8	7,642.8	911.0
Kansas	1,211.5	1,152.0	59.4	4,560.4	4,030.6	529.8
Kentucky	1,723.9	1,676.3	47.6	7,663.3	6,696.5	966.8
Louisiana	1,884.7	1,808.5	76.2	7,578.6	6,636.7	941.9
Maine	1,105.8	1,076.4	29.4	4,574.4	3,969.4	605.0
Maryland (including District of Columbia)	4,800.7	4,610.9	189.7	19,120.6	16,713.4	2,407.2
Massachusetts	11,436.0	10,993.6	442.4	45,018.4	39,838.6	5,179.9
Michigan	16,941.5	15,868.4	1,073.2	66,524.4	58,980.0	7,544.4
Minnesota	3,439.5	3,286.2	153.3	14,275.9	12,166.1	2,109.7
Mississippi	671.1	656.8	14.3	2,882.0	2,565.6	316.4
Missouri (2 districts)	6,396.7	6,053.4	343.3	24,943.2	21,999.0	2,944.3
Montana	327.0	316.0	11.0	1,519.3	1,358.9	160.4
Nebraska	947.4	899.0	48.4	3,965.6	3,523.3	442.4
Nevada	213.1	188.1	25.0	775.3	648.3	127.0
New Hampshire	687.9	661.1	26.8	2,782.2	2,468.7	313.5
New Jersey (2 districts)	10,217.5	9,718.8	498.7	39,196.8	34,492.9	4,703.8
New Mexico	207.0	202.6	4.4	953.5	859.1	94.4
New York (6 districts)	53,766.4	50,150.2	3,616.2	201,989.6	177,438.2	24,551.4
North Carolina	3,246.0	3,135.2	110.8	12,925.1	11,413.5	1,511.5
North Dakota	164.8	158.3	6.6	727.8	662.6	65.2
Ohio (4 districts)	17,913.9	17,054.1	859.8	71,666.0	63,155.1	8,505.5
Oklahoma	1,904.1	1,805.9	98.2	7,660.2	6,786.7	873.6
Oregon	1,930.1	1,868.0	62.2	7,489.1	6,654.8	834.3
Pennsylvania (3 districts)	26,517.3	25,151.0	1,366.2	103,194.4	91,164.0	12,030.4
Rhode Island	1,947.5	1,901.4	46.1	7,986.6	6,998.1	988.5
South Carolina	1,316.7	1,272.9	43.8	5,281.5	4,650.2	631.3
South Dakota	186.7	183.3	3.4	826.6	750.4	76.2
Tennessee	2,244.6	2,173.5	71.2	9,601.2	8,427.2	1,174.0
Texas (2 districts)	5,638.5	5,445.1	193.4	22,787.6	19,974.9	2,812.7
Utah	520.7	494.7	26.0	2,209.4	1,936.5	272.9
Vermont	412.8	401.6	11.1	1,693.9	1,506.0	187.9
Virginia	3,074.3	2,955.7	118.6	11,686.6	10,355.3	1,331.3
Washington (including Alaska)	3,672.8	3,518.5	154.3	13,963.2	12,490.9	1,472.3
West Virginia	1,888.3	1,838.2	50.1	8,046.3	7,041.3	1,005.0
Wisconsin	4,993.1	4,783.2	209.9	20,309.4	17,852.5	2,456.9
Wyoming	165.1	158.3	6.8	742.5	668.6	74.0

¹ Data are based on warrants covered by the Bookkeeping and Warrants Division of the Treasury Department and therefore differ slightly from tax receipts in tables 1 and 2 which are based on the Daily Statement of the U. S. Treasury. Amounts listed in this table represent collections made in internal revenue collection districts in the respective States and covered into the Treasury. The amount received by a particular district does not neces-

sarily represent taxes paid with respect to employment within the State in which that district is located.

² See table 2, footnote 1.

³ See table 2, footnote 4.

Source: U. S. Treasury Department, Office of the Commissioner of Accounts and Deposits.

may be acquired by the two social security funds in August will bear interest at 2½ percent, a rate lower than that on any securities now held by the funds.

Federal expenditures under the Social Security Act and under programs administered by the Railroad Retirement Board (including net appropriations and transfers to the old age and survivors insurance trust fund and transfers to the railroad retirement account) amounted to \$240 million during July, or 4.6 percent of total Federal expenditures during the month. Federal grants to States and administrative expenses under the Social Security Act were \$19 million more than in July 1941. Almost three-fourths of this increase was accounted for by the grants for old-age assistance. Expenditures for grants under each of the eight programs in table 4, except those for unemployment compensation administration, were higher in July 1942 than in July 1941. Administrative expenses for July 1942 were slightly below those for the corresponding month of last year.

For the fiscal year 1941-42, the Social Security Board certified \$446 million to the Secretary of the Treasury for grants to the States for public assistance and for the administration of State unemployment compensation programs and employment services (table 5). The total amount, and grants to individual States, differ from figures in table 4, page 71, of the August Bulletin because the latter represent checks issued during the year, regardless of the period for which the grants were made, and do not include grants under the Wagner-Peyser Act.

Federal expenditures for the administration of the employment security program in the second half of the fiscal year were on a basis different from that for prior periods of operation. Grants under title III of the Social Security Act have previously been made to States for the administration of State unemployment compensation programs and to defray the expenses of the employment services attributable to the maintenance of certain unemployment compensation functions. In addition, States have allocated funds for the administration of their public employment offices to match Federal grants under the Wagner-Peyser Act.

On January 1, 1942, all State employment offices were transferred to the Social Security Board in accordance with the President's request

of December 19, 1941, addressed to State Governors. Beginning with 1942, the Board has discontinued grants to States under the Wagner-Peyser Act, and States have ceased financial participation in the administration of the U. S. Employment Service. All costs of administration of the national employment service program have been met from Federal funds appropriated under title III of the Social Security Act. Figures shown in the next to the last column of table 5, therefore,

Table 4.—Federal appropriations and expenditures for administrative expenses and grants to States under the Social Security Act, by specified period, 1941-43¹

[In thousands]

Item	Fiscal year 1941-42		Fiscal year 1942-43	
	Appropriations ²	Expenditures through July ³	Appropriations ²	Expenditures through July ³
Total	\$503,829	\$59,735	\$544,688	\$78,534
Administrative expenses				
Federal Security Agency, Social Security Board ⁴	26,129	2,753	27,128	2,664
Department of Labor, Children's Bureau	25,655	2,154	26,642	2,069
Department of Commerce, Bureau of the Census	364	31	376	30
Department of the Treasury ⁵	110	11	110	34
Grants to States	(*)	557	(*)	531
Federal Security Agency	477,700	56,982	517,560	75,870
Social Security Board	466,500	56,916	506,360	75,746
Old-age assistance	300,000	33,402	329,000	47,177
Aid to dependent children	74,000	6,910	78,000	11,543
Aid to the blind	9,000	918	8,710	1,305
Unemployment compensation administration	72,500	13,129	79,650	13,102
Public Health Service:				
Public health work	11,000	2,557	11,000	2,619
Department of Labor, Children's Bureau	11,200	66	11,200	125
Maternal and child health services	5,820	1	5,820	5
Services for crippled children	3,870	13	3,870	39
Child welfare services	1,510	52	1,510	81

¹ Excludes some funds appropriated and expended under the Social Security Act, because they are not separated from other Federal funds for similar purposes. Such is the case with funds for vocational rehabilitation for which \$112,000 was appropriated for 1941-42 and \$95,120 for 1942-43 for administration in the Office of Education, and \$2,650,000 for 1941-42 and \$2,800,000 for 1942-43 for grants to States. For disease and sanitation investigations of the Public Health Service, appropriations were \$1,742,481 for 1941-42 and \$1,419,680 for 1942-43 in addition to grants to States shown in this table.

² Excludes unexpended balance of appropriations for previous fiscal year. Appropriations for 1941-42 include additional appropriation of \$40,000,000 approved Apr. 28, 1942.

³ Based on checks cashed and returned to the Treasury. Includes expenditures from reappropriated balance of appropriations for previous fiscal year.

⁴ Includes amounts expended by the Board in administration of title II of the act, reimbursed to general fund of the Treasury. Includes amounts for administration of the Wagner-Peyser Act prior to Jan. 1, 1942. See footnote 7.

⁵ Represents amounts expended by the Treasury in administration of title II of the Social Security Act and the Federal Insurance Contributions Act, reimbursed to general fund of the Treasury.

* Not available.

¹ Prior to Jan. 1, 1942, includes grants certified by the Social Security Board to States for employment service administration to meet requirements of unemployment compensation program, and excludes grants to States for employment service administration under the Wagner-Peyser Act. Since Jan. 1, 1942, includes grants for unemployment compensation administration and Federal expenditures for operation of employment services in the States.

Source: Various Federal appropriation acts (appropriations); Daily Statement of the U. S. Treasury (expenditures).

Table 5.—Advances certified¹ by the Social Security Board to the Secretary of the Treasury for Federal grants to States for public assistance² and for administration of unemployment compensation laws and State employment services,³ fiscal year 1941-42

[In thousands]

State	Public assistance ⁴			Employment security ⁵			Under the Wagner-Peyser Act, July-December 1941	
	Old-age assistance	Aid to dependent children	Aid to the blind	Under Social Security Act				
				Total	Unemployment compensation, 1941-42, and employment services, July-December 1941	Employment services administered by the Social Security Board, January-June 1942		
Total	\$297,356.9	\$69,380.6	\$7,946.9	\$60,644.8	\$51,996.6	* \$17,648.2	\$1,561.0	
Alabama	1,080.2	516.6	39.5	778.5	532.2	246.3	32.5	
Alaska	281.7	(*)	(*)	78.5	62.9	15.6	4.3	
Arizona	1,991.8	503.6	84.7	332.0	178.1	154.0	(*)	
Arkansas	1,351.7	577.8	78.6	723.4	486.4	237.0	22.5	
California	36,384.1	3,429.0	1,748.9	5,221.6	4,075.5	1,146.2	78.1	
Colorado	8,767.0	1,235.7	136.1	475.4	319.4	156.0	12.7	
Connecticut	3,182.1	215.4	34.4	1,317.5	1,015.5	302.0	22.9	
Delaware	183.6	121.3	(*)	219.7	181.9	37.9	6.4	
District of Columbia	571.2	263.8	49.3	562.6	313.2	249.4	(*)	
Florida	3,425.7	711.7	262.5	777.7	502.2	185.6	22.0	
Georgia	3,159.5	617.3	138.9	1,019.5	776.0	243.4	37.8	
Hawaii	155.4	242.0	8.3	139.0	117.3	21.7	7.5	
Idaho	1,403.4	607.5	40.4	298.0	229.8	68.3	6.3	
Illinois	23,590.5	2,878.6	(*)	4,780.5	3,570.4	1,210.1	92.4	
Indiana	8,169.9	2,766.7	349.5	1,915.2	1,384.9	530.3	39.6	
Iowa	7,426.0	(*)	256.7	674.5	488.6	185.8	29.7	
Kansas	4,168.0	1,245.3	200.1	540.8	350.9	189.9	30.0	
Kentucky	3,338.4	(*)	(*)	855.3	628.0	227.3	33.2	
Louisiana	3,109.8	2,061.8	150.5	842.9	622.1	220.8	26.7	
Maine	1,993.2	372.9	163.4	438.3	332.4	105.9	9.8	
Maryland	1,947.8	1,213.3	90.6	837.3	649.3	188.0	20.6	
Massachusetts	16,453.4	2,832.3	174.4	3,161.7	2,453.8	727.8	48.3	
Michigan	10,636.3	3,922.3	224.3	3,760.0	2,723.8	1,086.2	61.2	
Minnesota	8,750.3	1,862.0	188.4	1,364.5	1,038.8	325.8	31.6	
Mississippi	1,548.8	304.3	81.2	515.8	352.7	163.1	24.7	
Missouri	9,430.9	2,172.1	(*)	2,222.5	1,592.2	630.3	45.0	
Montana	1,733.8	501.6	51.8	311.6	234.4	77.2	6.5	
Nebraska	3,343.9	1,084.1	98.0	430.7	298.9	131.8	14.9	
Nevada	437.4	(*)	(*)	186.4	152.0	34.4	4.3	
New Hampshire	1,005.1	159.9	49.8	340.3	249.0	91.3	7.5	
New Jersey	4,134.3	1,882.1	119.8	3,165.0	2,503.0	662.0	53.0	
New Mexico	499.4	380.5	30.8	194.9	144.6	50.3	6.0	
New York	19,315.3	5,697.5	538.2	8,538.6	6,087.2	1,851.5	152.4	
North Carolina	2,522.1	1,141.8	225.0	1,147.1	827.6	319.5	41.6	
North Dakota	1,125.4	589.2	20.9	228.8	164.0	64.8	7.3	
Ohio	20,262.0	2,584.6	559.2	3,814.3	2,862.8	951.5	76.2	
Oklahoma	9,017.3	2,372.3	203.5	789.4	528.2	261.2	26.4	
Oregon	2,946.8	422.8	77.2	957.6	717.6	239.9	12.5	
Pennsylvania	14,363.5	10,890.5	(*)	5,663.7	4,226.6	1,437.1	137.0	
Rhode Island	1,068.2	315.2	13.3	685.2	509.7	175.5	8.7	
South Carolina	1,175.5	480.8	56.3	599.3	441.1	158.3	21.5	
South Dakota	1,774.2	329.1	27.1	179.5	124.7	54.9	7.3	
Tennessee	2,663.5	1,648.0	121.7	1,028.0	751.4	276.6	30.9	
Texas	19,462.2	813.8	336.4	2,351.0	1,579.9	771.2	74.9	
Utah	2,490.4	874.1	30.0	366.1	269.2	96.8	6.3	
Vermont	551.0	145.8	23.6	234.3	179.9	54.3	5.0	
Virginia	1,260.4	692.0	103.5	871.3	661.9	209.4	30.3	
Washington	13,121.1	1,152.3	226.7	1,367.9	1,019.8	348.1	19.6	
West Virginia	2,340.1	1,886.0	141.9	736.8	556.1	180.7	22.5	
Wisconsin	7,702.2	1,987.4	299.2	1,127.7	826.6	301.1	35.6	
Wyoming	541.5	175.8	23.4	176.5	132.5	44.0	5.0	

¹ Advances are certified for specified period of operation which is not necessarily period in which certification is made.

² Figures not comparable with those on amount of obligations incurred for payments to recipients.

³ Up to Jan. 1, 1942, operations of the U. S. Employment Service were financed from 3 sources: State funds, matching Federal grants to States under the Wagner-Peyser Act, and Federal grants under title III of the Social Security Act; since Jan. 1, 1942, the USES has been administered by the Social Security Board and financed solely from title III funds. Data from the Treasury presented in other tables of this section do not segregate employment

service from unemployment compensation grants under the Social Security Act.

⁴ Does not include \$1,012,100 expended for postage.

⁵ No plan approved by the Social Security Board.

⁶ Since July 20, 1941, the Arizona employment service has been maintained by the Social Security Board as a division of its Bureau of Employment Security.

⁷ Not available, because funds for the District of Columbia employment service were included in funds of the Federal Bureau of Employment Security.

Source: Social Security Board, Bureau of Accounts and Audits.

Table 6.—Status of the old-age and survivors insurance trust fund, by specified period, 1936–42

[In thousands]

Period	Receipts		Expenditures		Assets			
	Transfers and appropriations to trust fund ¹	Interest received ²	Benefit payments ³	Reimbursement for administrative expenses	Net total of Treasury notes and bonds acquired ⁴	Cash with disbursing officer at end of period	Credit of fund account at end of period ⁵	Total assets at end of period
Cumulative through July 1942	\$3,338,131	\$214,007	\$220,740	\$68,156	\$3,191,634	\$19,389	\$52,309	\$3,263,332
Fiscal year:								
1936–37	265,000	2,262	27	—	287,100	73	62	287,235
1937–38	387,000	15,412	5,404	—	395,200	1,931	113,012	777,243
1938–39	503,000	26,951	13,892	—	514,900	3,036	66	1,180,302
1939–40	550,000	42,489	15,805	12,288	560,600	6,098	500	1,744,698
1940–41	688,141	55,958	64,342	26,840	642,500	10,778	6,238	2,397,615
1941–42	895,619	71,007	110,281	26,766	821,034	20,384	5,176	3,227,194
1941								
July	44,815	9	7,465	2,201	—10,000	13,310	48,864	2,432,774
August	159,525	40	7,906	2,201	—10,000	15,400	206,231	2,582,231
September	3,366	81	8,060	2,201	195,400	12,332	7,084	2,575,417
October	45,674	88	8,289	2,210	—10,000	14,040	50,640	2,610,680
November	168,458	113	8,406	2,210	—10,000	15,631	217,005	2,768,637
December	4,323	241	9,070	2,210	200,400	16,530	8,992	2,761,921
1942								
January	38,579	169	9,266	2,142	—10,000	17,260	45,601	2,789,261
February	181,446	190	9,639	2,142	34,334	17,614	180,422	2,959,117
March	2,773	460	10,275	2,142	162,600	17,309	9,289	2,949,932
April	39,173	237	10,376	2,369	—10,000	16,930	46,333	2,976,597
May	203,740	261	10,715	2,369	14,000	16,210	223,969	3,167,514
June	3,747	69,118	10,815	2,369	274,300	20,384	5,176	3,227,194
July	49,371	18	10,989	2,262	—10,000	19,389	52,309	3,263,332

¹ Beginning July 1940, trust fund appropriations equal taxes collected under the Federal Insurance Contributions Act.

² Interest on investments held is credited annually in June; on investments redeemed, in month of redemption.

³ Based on checks cashed and returned to the Treasury.

⁴ Minus figures represent net total of notes redeemed.

⁵ Prior to July 1940, includes balance of appropriation available for transfer.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

Table 7.—Status of the railroad retirement account, by specified period, 1936–42

[In thousands]

Period	Receipts			Transfers from appropriation to trust fund	Benefit payments ¹	Assets at end of period			
	Amount appropriated	Interest received	Total			3-percent Treasury notes	To credit of appropriation ²	To credit of disbursing officer	Total
Cumulative through July 1942	\$854,151	\$11,586	\$865,737	\$751,951	\$556,960	\$195,000	\$102,237	\$11,540	\$308,777
Fiscal year:									
Through June 1938	146,500	1,411	147,911	146,406	79,849	66,200	234	1,628	68,062
1938–39	118,250	2,202	120,452	107,094	105,774	67,200	13,206	2,334	82,740
1939–40	120,150	2,283	122,433	120,650	113,099	79,400	10,847	1,826	92,073
1940–41	113,600	2,534	116,134	124,350	121,174	74,000	2,503	10,630	87,033
1941–42	140,850	3,143	143,993	140,850	126,244	91,500	1,597	11,086	104,782
1941									
July	140,850	—	140,850	46,350	10,295	107,850	94,504	15,234	217,588
August	25	25	0	10,314	101,350	94,531	10,919	207,299	
September	73	73	0	10,421	91,000	94,580	11,371	196,951	
October	97	97	31,500	10,596	112,000	63,103	11,350	186,452	
November	124	124	0	10,357	101,500	63,128	11,592	176,220	
December	156	156	0	10,690	90,500	63,160	12,017	165,677	
1942									
January	176	176	31,500	10,485	111,500	31,687	12,181	155,368	
February	193	193	0	10,458	101,500	31,702	11,901	145,103	
March	215	215	0	10,691	91,000	31,718	11,910	134,628	
April	233	233	31,500	10,776	112,000	238	11,846	124,085	
May	259	259	0	10,393	101,500	264	12,186	113,950	
June	1,591	1,591	0	10,759	91,500	1,597	11,686	104,782	
July	214,801	14	214,815	112,601	10,820	195,000	102,239	11,540	308,777

¹ Based on checks cashed and returned to the Treasury.

² Represents balances in appropriation and trust fund accounts, including net credit from adjustments such as cancellations and repayments.

³ Appropriation reduced by transfer of \$9 million in October 1940 to prior-

service account for collection of service and compensation data of railroad workers prior to 1937.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

are not grants to States; they represent, instead, Federal expenditures during the period January-June 1942 for the administration of the employment service of each State.

Old-Age and Survivors Insurance Trust Fund

Contributions appropriated to the old-age and survivors insurance trust fund—equal to taxes collected under the Federal Insurance Contributions Act—amounted to \$49.4 million in July 1942 (table 6). During the month, \$10 million of 3-percent old-age reserve account notes were redeemed, and the entire sum was made available to the account of the disbursing officer. Benefit payments (on a checks-cashed basis) under the old-age and survivors insurance program amounted to \$11 million, or 1.6 percent more than the amount for June. As in previous months, one-third of the quarterly reimbursement for administrative expenses was deducted from the total assets of the fund in advance of actual repayment to the Treasury at the end of the quarter. The July deduction of \$2.3 million indicates a total reimbursement during the first quarter of the present fiscal year of approximately \$6.8 million,

or \$321,000 less than reimbursements in the preceding quarter. Assets of the old-age and survivors insurance trust fund increased \$36.1 million in July to a total of \$3,263 million at the end of the month.

Railroad Retirement Account and Administrative Expenses

The 1942-43 appropriation to the railroad retirement account was \$214.8 million (table 7). Of this amount, \$112.6 million was transferred to the trust fund during July. Benefit payments for the month totaled \$10.8 million, and additional investments in 3-percent special Treasury notes, \$103.5 million. At the end of July, assets of the account amounted to \$308.8 million, consisting of \$195.0 million in Treasury notes, \$11.5 million in cash to the credit of the disbursing officer, and a balance of \$102.2 million in the appropriation account.

The appropriation for administrative expenses of the railroad retirement system for the new fiscal year was \$3.0 million, of which \$224,000 was obligated for expenditure during July. For the preceding fiscal year, the Board received \$3.2 million for retirement administration and actual

Table 8.—Status of the unemployment trust fund, by specified period, 1936-42¹

[In thousands]

Period	Total assets at end of period	Net total of Treasury certificates and bonds acquired ²	Unex-pended balance at end of period	Undis-tributed interest at end of period ³	State accounts				Railroad unemployment insurance account			
					Deposits	Interest credited	With-drawals ⁴	Balance at end of period	Deposits	Interest credited	Benefit pay-ments	Balance at end of period ⁴
Cumulative through July 1942	\$3,170,833	\$3,162,000	\$8,833	\$6	\$4,769,233	\$190,252	\$2,054,997	\$2,904,487	\$181,940	\$8,685	\$41,596	\$266,338
Fiscal year:												
1936-37	312,389	293,386	94		201,703	2,737	1,000	312,389				
1937-38	884,247	559,705	12,247		747,660	15,172	190,975	884,247				
1938-39	1,280,539	395,000	13,530		811,251	26,837	441,705	1,280,539				
1939-40	1,724,862	443,000	14,862		859,864	37,524	484,764	1,693,164	44,249	202	14,552	31,669
1940-41	2,283,658	563,000	10,658		892,023	45,893	537,343	2,063,737	61,347	3,059	17,784	189,921
1941-42	3,150,103	866,000	11,103		1,005,991	61,998	368,070	2,883,654	76,266	5,424	9,072	266,447
July	2,336,948	60,000	3,948	7	77,970	28,276	2,143,431	45			306	193,500
August	2,488,016	146,000	9,016	7	175,928	24,889	2,204,470	516			487	193,538
September	2,487,541	0	8,541		7,446	55	23,670	2,278,301	16,203	5	566	209,240
October	2,541,283	59,000	3,283	33	73,654		19,408	2,332,547	78		615	208,703
November	2,712,734	168,000	6,734	33	191,377		20,203	2,503,721	845		567	208,980
December	2,744,358	26,000	12,358		12,026	28,694	28,042	2,516,399	17,288	2,510	820	227,958
January	2,775,418	39,000	4,418	18	75,307	43,104	2,548,602	96			1,257	226,797
February	2,939,810	152,000	16,810	37	202,170	37,178	2,713,594	707			1,326	226,178
March	2,923,153	-13,000	13,153		9,130	130	44,666	2,678,188	20,116	11	1,342	244,963
April	2,928,424	4,000	14,424	137	43,169		37,136	2,684,221	4		903	244,064
May	3,115,015	192,000	9,015	137	219,232		32,709	2,870,744	616		549	244,131
June	3,150,103	33,000	11,103		8,582	33,118	28,700	2,883,654	19,661	2,898	243	266,447
July	3,170,833	23,000	8,833	6	51,883		31,050	2,904,487	78		187	266,338

¹ Beginning July 1939, contains separate book account for railroad unemployment insurance account, in which are held moneys deposited by the Railroad Retirement Board and from which the Secretary of the Treasury makes benefit payments as certified by the Railroad Retirement Board. Trust fund maintains separate account for each State agency, in which are held all moneys deposited from State unemployment funds and from which State agencies withdraw amounts as required for benefit payments.

² Minus figures represent net total of certificates redeemed.

³ Interest on redeemed Treasury certificates, received by fund at time of redemption but credited to separate book accounts only in last month of each quarter.

⁴ Includes transfers from State accounts to railroad unemployment insurance account amounting to \$105,901,000.

⁵ Includes transfers from railroad unemployment insurance administration fund amounting to \$11,409,067.

Source: Compiled from data in the Daily Statement of the U. S. Treasury.

expenditures totaled \$2.9 million, or 2.3 percent of benefit payments.

Obligations incurred during July to pay employers for verifying records of service and compensation prior to 1937 amounted to \$330,000, leaving an unobligated balance of \$2.3 million in the special fund of \$9.0 million appropriated for this purpose. According to the congressional resolution authorizing this program, employers must furnish completed records not later than June 30, 1943.

Unemployment Trust Fund

Receipts of the unemployment trust fund totaled \$52.0 million in July. The Railroad Retirement Board deposited \$78,000 of this amount in the railroad unemployment insurance account, \$6,000 consisted of interest on redeemed certificates, and

the remaining \$51.9 million was deposited by the States to their individual accounts (table 8). Withdrawals of \$31.0 million from State accounts for benefit payments represented the first increase since March, but in spite of the increase, withdrawals were at a lower level than in any previous month of 1942 with the exception of June. A large part of this increase is attributable to the fact that a new benefit year began in New York on June 1. Railroad unemployment insurance benefits continued to decline and amounted to \$187,000 during the month.

The \$23.0 million of new 2½-percent special certificates of indebtedness acquired during July raised the total investments of the fund to \$3,162 million. Total assets at the end of July were \$20.7 million more than at the end of June.

Recent Publications in the Field of Social Security

WAR AND SOCIAL SERVICES

BODETTE, EDWARD J. "Salesmen Train for Tasks of War." *Employment Security Review*, Washington, Vol. 9, No. 7 (July 1942), pp. 19 ff.

Discusses organized efforts in Toledo for training and placing salesmen.

BONWIT, JAY A. "Mobilizing Our Manpower." *Modern Lithography*, New York, Vol. 10, No. 7 (July 1942), pp. 26-27 ff.

How labor-market control may affect the lithographic industry.

"Canada's Land Army." *Canadian Welfare*, Ottawa, Vol. 18, No. 3 (July 15, 1942), pp. 33-35.

"A brief summary of steps taken to meet the acute shortage of farm labour" in four Canadian provinces.

CORSON, JOHN J. "Recruiting Students for Farm Work." *American Teacher*, Chicago, Vol. 26, No. 8 (May 1942), pp. 10-11.

CORSON, JOHN J. "Wasting of Manpower." *Atlantic Monthly*, Boston, Vol. 170, No. 2 (August 1942), pp. 75-78.

An explanation, with examples, of many of the ways in which the country is failing to use its labor supply effectively in the war effort.

"The Dependents' Board of Trustees and Family Welfare Services." *Canadian Welfare*, Ottawa, Vol. 18, No. 3 (July 15, 1942), pp. 6-10.

A nonstatistical account of the first 6 months of operation of the Canadian Dependents' Board of Trustees,

which administers the Dependents' Supplementary Grants Fund for members of the armed forces.

"Dominion-Provincial Agreement on Day Nurseries." *Canadian Welfare*, Ottawa, Vol. 18, No. 3 (July 15, 1942), pp. 11-12.

Outlines an agreement recently signed by the Dominion Government of Canada and the Province of Ontario.

EMERSON, HAVEN. "Civilian Health in War Time." *Journal of the American Medical Association*, Chicago, Vol. 119, No. 17 (Aug. 22, 1942), pp. 1389-1392.

FANCHER, ALBERT. "Placing the Displaced Worker." *Barron's*, New York, Vol. 22, No. 30 (July 27, 1942), p. 18.

Some ways in which the U. S. Employment Service and private organizations are helping to find places in war production for displaced workers.

GLEASON, CLYDE W. "They Are Coming Back." *Bulletin of the Connecticut Employment Security Division and U. S. Employment Service*, Hartford, Vol. 7, No. 7 (July 1942), pp. 2-3 ff.

The problem of large-scale vocational rehabilitation occasioned by labor-market shortages and the return of recently disabled veterans.

GRUENBERG, SIDONIE MATSNER, Editor. *The Family in a World at War*. New York and London: Harper, 1942. 297 pp.

Twenty papers dealing with morale, nutrition, selective service, and other issues affecting family security, by Pearl Buck, Dorothy Canfield Fisher, Eleanor D. Roosevelt, Paul V. McNutt, and others.

HUTCHINSON, ELIOT D. "How to Improve Morale." *Hygeia*, Chicago, Vol. 20, No. 8 (August 1942), pp. 570-571 ff.

The effect of economic security on morale.

"The I. L. O. and Plans for a 'People's Peace': The London Meeting of the Emergency Committee, April 1942." *International Labour Review*, Montreal, Vol. 46, No. 1 (July 1942), pp. 1-43.

An extensive review of the first meeting of the Emergency Committee, which has been delegated by the governing body of the I. L. O. to act on its behalf. Speeches of members are presented to show the general and specific role of the I. L. O. in post-war reconstruction. Public works, migration, agriculture, and the textile industry are among the topics discussed.

ISLES, K. S. "The Building of a War Economy." *Economic Record*, Melbourne, Vol. 18, No. 34 (June 1942), pp. 58-74.

An analysis of requirements for manpower in South Australia and of methods for ensuring its full utilization.

"Labour Supply Policy in Great Britain." *International Labour Review*, Montreal, Vol. 46, No. 2 (August 1942), pp. 190-195.

Data on manpower mobilization, control of employment, employment of women, use of children in agriculture, and traveling facilities for transferred workers.

LIVCHEN, RENE. "Wartime Developments in German Wage Policy." *International Labour Review*, Montreal, Vol. 46, No. 2 (August 1942), pp. 136-165.

MCNUTT, PAUL V. "Are You Ready?" *Tennessee Public Welfare Record*, Nashville, Vol. 5, No. 7 (July 1942), pp. 3-4 ff.

The importance of using existing organizations for defense health and welfare work.

NORTHERN IRELAND. SELECT COMMITTEE ON UNEMPLOYMENT IN NORTHERN IRELAND. *Final Report... Together With Proceedings of the Committee and Minutes of Evidence*. Belfast: H. M. Stationery Office, 1942. 99 pp. (House of Commons Paper 552.)

Post-war housing projects, decentralization of industry, and construction of transportation facilities receive special attention in the Committee's proceedings and report. Cash unemployment benefits are not considered. The Committee recommends control of industry, agriculture, and prices for a period after the war.

PALMER, GLADYS L., assisted by COHN, SAMUEL M. *War Labor Supply Problems of Philadelphia and Its Environs*. Philadelphia: Industrial Research Department, Wharton School of Finance and Commerce, University of Pennsylvania, June 1942. 54 pp. Processed. (Research Report No. 5.)

Gives special attention to employer hiring practices as modified by labor-market changes. A comparison of the present labor-supply situation and that of the first world war is included.

"'Rationing' of Man-Power on Priority Basis in Canada;

'Control of Employment Regulations' Established by Order in Council." *Labour Gazette*, Ottawa, Vol. 42, No. 6 (June 1942), pp. 675-677.

"Recent Amendment Credits All War Service." *Monthly Review of the Railroad Retirement Board*, Chicago, Vol. 3, No. 5 (May-June 1942), pp. 116-120 ff. Processed.

An explanation of Public, No. 520, 77th Congress, "providing for the crediting of current military service under the Railroad Retirement Acts."

RICHARDSON, WILLIAM ALAN. "The Medical Recruiting Fracas." *Medical Economics*, Rutherford, N. J., Vol. 19, No. 10 (July 1942), pp. 31-34 ff.

Outlines the status of supply of physicians for Army service. Other articles in this issue present information respecting medical service with the armed forces.

RIEHL, EDWARD P. *War and Economic Conditions; Their Effect on Retirement Systems—Military Leaves of Absence, Declining Interest Returns, Payroll Deductions*. [Chicago: Municipal Finance Officers Association of the United States and Canada, 1942.] 11 pp. Processed.

SOULE, GEORGE. "Full Employment After the War." *New Republic*, New York, Vol. 107, No. 6 (Aug. 10, 1942), pp. 167-169.

STONE, WALTER. "Community Organization for War-Time Welfare Services." *Tennessee Public Welfare Record*, Nashville, Vol. 5, No. 7 (July 1942), pp. 5 ff.

STONER, JOHN E., and FIELD, OLIVER P. *Public Health Services in an Indiana Defense Community*. Bloomington: Bureau of Government Research, Indiana University, 1942. 83 pp.

Detailed historical, administrative, and health information on the Charlestown, Ind., area, which has grown rapidly from the establishment of defense industries. First of two studies on the subject.

SULLIVAN, FRANCES, and ROSE, MILTON. "Public Health Planning for War Needs: Order or Chaos?" *American Journal of Public Health*, New York, Vol. 32, No. 8 (August 1942), pp. 831-836.

Explains the organization and health functions of the Office of Defense Health and Welfare Services and the Office of Civilian Defense, and notes cooperation and allocation of responsibility among these and other groups in the health field.

"32,000,000 Americans, War, and the U. S. Employment Service." *Employment Security Review*, Washington, Vol. 9, No. 7 (July 1942), pp. 3-18.

Brief articles on different aspects of the problem of minorities in the labor market. Includes data on racial groups, training, Federal policies, and local attitudes and practices.

TRUESDELL, LEON E. "Taking Inventory of Nation's Population as Aid to War." *Domestic Commerce*, Washington, Vol. 30, No. 3 (July 16, 1942), pp. 7-10. Processed.

Social Security

Methods employed in the 1940 census and their significance for wartime policies in allocating labor and formulating plans for taxation and draft deferment.

U. S. CONGRESS. HOUSE. SELECT COMMITTEE INVESTIGATING NATIONAL DEFENSE MIGRATION. *Fourth Interim Report: Findings and Recommendations on Evacuation of Enemy Aliens and Others From Prohibited Military Zones.* Washington: U. S. Government Printing Office, May 1942. 362 pp. (77th Cong., 2d sess. H. Rept. 2124.)

A record of enemy alien evacuation and the Committee's recommendations, supplemented with extensive documentation—governmental and private—on the subject of dealing with enemy nationals in this country.

U. S. WAR MANPOWER COMMISSION. *Work Will Win; The Story of Manpower.* Washington, June 1, 1942. 24 pp. Processed.

WILSON, J. S. G. "Further Developments in Australia's War Economy (October, 1941 to April, 1942)." *Economic Record*, Melbourne, Vol. 18, No. 34 (June 1942), pp. 43-57.

Data on financial and economic policy, including the organization of manpower and industry.

GENERAL

BRANCH, MARY SYDNEY. "Consumer Expenditures in the Low Income Group." *Social Service Review*, Chicago, Vol. 16, No. 2 (June 1942), pp. 256-277.

Some of the significant facts revealed by the Study of Consumer Purchases and their importance to social workers.

"Changes in the French Social Insurance Scheme." *International Labour Review*, Montreal, Vol. 46, No. 1 (July 1942), pp. 88-91.

DILLON, CONLEY HALL. *International Labor Conventions; Their Interpretation and Revision.* Chapel Hill: University of North Carolina Press, 1942. 272 pp.

The broad field of adjusting international law to changing conditions is made specific in this study of the manner in which the conventions, or agreements, of the International Labor Organization have been interpreted and revised. The author explains the procedure of making a convention; the problem, practice, and legal issues of revising such conventions; and the function of interpretation, including international and national interpretations. A final chapter deals with the effects on treaty law and techniques. Foreword by John G. Winant, and a bibliography classified as to primary and secondary sources.

"Eighth Pan American Child Congress." *The Child*, Washington, Vol. 6, No. 12 (June 1942), pp. 297-306.

INTERNATIONAL LABOR OFFICE. *Year Book of Labour Statistics, 1941.* Sixth Year. In French, English, and Spanish. Montreal: The Office, 1942. 203 pp.

Contains substantially the same types of information

as presented in previous issues, and appears for the first time in three languages. There is an increase in data for the Latin American countries, and new tables on the percentages of population gainfully occupied in different age groups and on indexes of international comparisons of the cost of food. The main divisions are total and gainfully occupied population, employment and unemployment, hours, wages, cost of living, and retail prices, family living studies, migration, and industrial accidents. An appendix of economic statistics deals with production, wholesale prices, exchange rates, and the value of currencies as percentage of their gold parity in 1929.

"Labor Conditions in British Central Africa." *International Labour Review*, Montreal, Vol. 46, No. 1 (July 1942), pp. 44-48.

MARYLAND. LEGISLATIVE COUNCIL. RESEARCH DIVISION. *Industrial Life Insurance in Maryland.* Baltimore, 1942. 65 pp. Processed. (Research Report No. 11.)

In accordance with the Maryland House of Delegates resolution requesting the report, this study pays special attention to practices with respect to lapses and cash surrender values.

"Payments to the Sick, the Injured and the Aged." *National Insurance Gazette*, London, Vol. 31, No. 1574 (July 16, 1942), pp. 340-341.

A tabulation of "benefit and allowance under various schemes of benefit, pensions, compensation and assistance" in Great Britain.

"The Question of Family Allowances in Great Britain." *International Labour Review*, Montreal, Vol. 46, No. 2 (August 1942), pp. 218-220.

Chiefly data from the official memorandum issued last May by the Chancellor of the Exchequer.

TANNER, H. G. "Family Allowances." *Labour Management*, London, June 1942, pp. 83-84.

An argument for governmental family allowances written by the managing director of a Bristol firm.

"The Work of the Peruvian Social Insurance Fund." *International Labour Review*, Montreal, Vol. 46, No. 1 (July 1942), pp. 91-94.

OLD-AGE AND SURVIVORS INSURANCE

BROWN, EDWARD D., JR. *Actuarial Requirements in a Retirement System; The Functions, Duties and Responsibilities of the Actuary in the Formation and Operation of a System.* [Chicago: Municipal Finance Officers Association of the United States and Canada, 1942.] 11 pp. Processed.

One of a number of papers here noted which were presented at a conference held in June 1942 under the auspices of the Committee on Public Employe Retirement Administration of the Municipal Finance Officers Association.

DOBSON, RAY R. *Accounts and Records; Essentials of an*

Effective Plan of Accounts and Records for a Retirement System—Basic Records Required—Financial Reports—Audits. [Chicago: Municipal Finance Officers Association of the United States and Canada, 1942.] 10 pp. Processed.

GABRIEL, A. G. Social Security—Historical Development—Basic Principles of Social Security Act—Benefit Provisions—Comparison With Local Systems. [Chicago: Municipal Finance Officers Association of the United States and Canada, 1942.] 20 pp. Processed.

Gives examples and arguments to show that public employees would not benefit by giving up local retirement systems for coverage under the Social Security Act.

HANSEN, ARTHUR STEDRY. Retirement Planning Under Today's Conditions; Essential Provisions—Principles To Be Observed; Steps To Be Followed in the Formulation of New Plans and Modification of Existing Plans. [Chicago: Municipal Finance Officers Association of the United States and Canada, 1942.] 13 pp. Processed.

HOGE, WILSON E. Proposed Federal Legislation; Possible Effect on Existing Retirement Systems—What Can Be Done To Bring About the Extension of Local Retirement Plans for Public Employees—Steps To Be Taken for Their Protection Against Federal Encroachment. [Chicago: Municipal Finance Officers Association of the United States and Canada, 1942.] 17 pp. Processed.

Describes bills for old-age security before the present session of Congress and considers the arguments for and against extension of old-age and survivors insurance to public employees. Includes suggestions for the betterment of existing public employee plans.

NEW YORK STATE. DEPARTMENT OF AUDIT AND CONTROL. Twenty-first Report of the Comptroller on the Operation of the State Employee's Retirement System, Together With the Report of the Actuary on the Twenty-first Valuation of Its Assets and Liabilities, as of June 30, 1941. Albany, 1942. 58 pp. (Legislative Document No. 54.)

PARK EMPLOYEES' ANNUITY AND BENEFIT FUND, CHICAGO. Annual Report to the Participants for the Year Ended June 30, 1942. Chicago: The Fund, 1942. 23 pp.

U. S. BUREAU OF THE CENSUS. Pension Systems for State and Local Government Employees. Washington, Mar. 27, 1942. 5 pp. Processed. (State and Local Government, Special Study No. 17, Preliminary Report.)

Text, tables, and charts briefly presenting the results of a canvass by the Bureau of the Census of the approximately 3,000 public employee pension plans.

U. S. CIVIL SERVICE COMMISSION. RETIREMENT DIVISION. Synopsis of Retirement Benefits Under the Civil Service Retirement Act of May 29, 1930, as Amended to March 7, 1942, Inclusive. Washington, 1942. 24 pp. Processed.

VIRGINIA. ADVISORY LEGISLATIVE COUNCIL. Retirement of State Employees and Public School Teachers. Richmond: Division of Purchase and Printing, 1942. 107 pp. (Senate Document No. 8.)

A report to the Governor presenting recommendations for a unified contributory retirement system covering both teachers and other public employees. Includes a draft bill and an actuarial report on the cost of the proposed system, including the basic rates and tables used in the calculations.

EMPLOYMENT SECURITY

ARTERBURN, NORMAN F. " 'Labor Dispute' and Unemployment Compensation: A Reply." *Indiana Law Journal*, Bloomington, Vol. 17, No. 5 (June 1942), pp. 446-447. (Notes and Comments.)

A letter criticizing an interpretation in the February 1942 *Journal* and declaring that the words "labor dispute" should not have different meanings under the Indiana Unemployment Compensation Act and the National Labor Relations Act.

CALIFORNIA. DEPARTMENT OF EMPLOYMENT. Benefit Disqualifications in California. Report Submitted to California Employment Commission, May 12, 1942. [Sacramento] 1942. 18 pp. Processed.

A detailed statistical study of 3,560 disqualification determinations made between February 1 and October 31, 1941.

CALIFORNIA. DEPARTMENT OF EMPLOYMENT. Experience Rating in California; First Rating Period—January 1 to June 30, 1942. [Sacramento] July 21, 1942. 8 pp. Processed. (Report 285B #1.)

GIBBONS, JOSEPH J. "Proposal for Deciding Disputed Cases in Field Offices." *Bulletin of the Connecticut Employment Security Division and U. S. Employment Service*, Hartford, Vol. 7, No. 6 (June 1942), pp. 3-4 ff.

Advocates improving Connecticut unemployment compensation administration by "transferring the function of the Special Review Unit, in part, to the local office examiner."

ILLINOIS. DEPARTMENT OF LABOR. DIVISION OF PLACEMENT AND UNEMPLOYMENT COMPENSATION. Adequacy of Duration of Benefits in Illinois; Second Benefit Year, April 1940—March 1941. Place not given, July 1942. 9 pp. Processed. (Survey of the Second Benefit Year, Memorandum 1.)

ILLINOIS. DEPARTMENT OF LABOR. DIVISION OF PLACEMENT AND UNEMPLOYMENT COMPENSATION. Potential Duration of Benefits in Illinois; Second Benefit Year, April 1940—March 1941. Place not given, July 1942. 10 pp. Processed. (Survey of the Second Benefit Year, Memorandum 2.)

"Insurer Wins Important N. Y. Case on Status of Agent." *National Underwriter*, Life Insurance Edition, Chicago, Vol. 46, No. 30 (July 24, 1942), p. 9.

Discusses the New York Supreme Court decision against the claim of an agent of the Columbian Protective Association for benefits under the unemployment insurance law.

LUCKY, ED. "Unemployment Insurance—Statutory Def-

inition of Employment." *Oregon Law Review*, Eugene, Vol. 21, No. 4 (June 1942), pp. 406-407. (Recent Cases.)

PENNEBAKER, KENNETH C., and HART, ROBERT M. "Guaranteed Annual Income and Employment Stabilization Plan for State Highway Employees." *Public Personnel Review*, Chicago, Vol. 3, No. 3 (July 1942), pp. 177-189.

Describes the employment and wage stabilization plan in effect in the Minnesota State Highway Department since April 1, 1942.

PUBLIC WELFARE AND RELIEF

"Action Taken on One Year's Applications for Public Assistance, May 1941-April 1942." *Pennsylvania Public Assistance Review*, Harrisburg, April 1942, pp. 11-16, i-iii. Processed.

Includes information on the reasons for rejecting applications. With this issue, the title of the publication changes from *Pennsylvania Public Assistance Statistics*.

CATHOLIC CHARITIES, BROOKLYN. *Year Book, 1941*. Brooklyn, 1942. 100 pp.

Aspects of the charitable work of the Diocese of Brooklyn.

CHAMBERLAIN, H. E. "What Are the Priorities in the Care of the Aged?" *California Children*, Vol. 5, No. 5 (May 15, 1942), pp. 2-12. Processed.

Suggestions by a psychiatrist to social workers concerning some of the psychological traits in older persons, with advice for successful case work with the aged.

"Characteristics of Families Receiving Assistance, December 1941." *Pennsylvania Public Assistance Review*, Harrisburg, May 1942, pp. 10-16. Processed.

CLASS, NORRIS E. "Child Welfare Services and Community Organization." *Social Service Review*, Chicago, Vol. 16, No. 2 (June 1942), pp. 247-255.

Comments on the progress made and problems encountered in community organization activity promoted under the stimulus of title V of the Social Security Act.

DAVIS, ELWOOD B. "Family Versus Individual Budgeting in Old Age Assistance Grants in Wisconsin." *Social Service Review*, Chicago, Vol. 16, No. 2 (June 1942), pp. 278-308.

Some results of a study of old-age assistance in six Wisconsin counties, made to discover budgeting practices in cases "where more than one person lives on the grant that is supposedly intended for only one individual." Includes data on supplementation by general relief and on State and Federal budgeting policies.

GARRETT, ANNETTE. *Interviewing; Its Principles and Methods*. New York: Family Welfare Association of America, 1942. 123 pp.

Part One, The Nature of Interviewing, offers suggestions to social case workers on the art of the interview, human psychology, the interviewer's attitudes, and the purposes and methods of interviewing. Part Two dis-

cusses nine selected interviews—two from fiction—with respect to the principles developed in Part One.

LEMING, BERTHA. "The Contribution of Volunteers to Our Social Welfare Program." *Public Welfare in Indiana*, Indianapolis, Vol. 52, No. 7 (July 1942), pp. 10-12.

LUNDBERG, EMMA O. "Ascertaining Day-Care Needs." *The Child*, Washington, Vol. 7, No. 1 (July 1942), pp. 6-8.

A discussion of the types of information needed for the successful study of a community's need for day care for the children of working mothers.

SMITH, A. DELAFIELD. "Reintegrating Our Concepts of Privileged Communication." *Social Service Review*, Chicago, Vol. 16, No. 2 (June 1942), pp. 191-211.

An analysis and defense of the confidential character of the relation between the social case worker and the client in public assistance.

U. S. CHILDREN'S BUREAU. *Federal Grants to States . . . Under the Social Security Act*. Washington, 1941. 3 pp. Processed.

Three tables showing for each State the funds available and requested for maternal and child health services, crippled children, and child welfare services.

HEALTH AND MEDICAL CARE

ASSOCIATED MEDICAL SERVICES, INC., TORONTO. *Regulations, Effective July 1, 1942*. Toronto: The Services, 1942. 32 pp.

BAUER, MRS. NINA L. "County Director Describes Miami [Indiana] Medical Aid Program." *Public Welfare in Indiana*, Indianapolis, Vol. 52, No. 7 (July 1942), pp. 5-6.

BIERMAN, PEARL. "Public Medical Care: Illinois." *Medical Care*, Baltimore, Vol. 2, No. 3 (July 1942), pp. 226-234.

Describes the Illinois system of medical care for recipients of old-age assistance and aid to dependent children as developed by the Division of Public Assistance in cooperation with other groups.

BISHOP, EUGENE L., and CASE, H. L. "Medical Care at a T. V. A. Project." *Medical Care*, Baltimore, Vol. 2, No. 3 (July 1942), pp. 247-253.

Medical services, fees, administration, and statistics of the Tennessee Valley Authority project at Kentucky Dam, Marshall County, Ky.

"Cash Sickness Compensation Act in Rhode Island." *International Labour Review*, Montreal, Vol. 46, No. 2 (August 1942), pp. 213-214.

CLARK, KATHARINE G. "The Gap Between Examination and Treatment; Some Experiences of the NYA Program." *Medical Care*, Baltimore, Vol. 2, No. 2 (July 1942), pp. 203-214.

A discussion of the extensive program of physical exam-

inations set up in 1940 by the NYA and of the problems encountered in arranging for treatment.

COURT, A. T. "Sickness Absenteeism—Present and Future." *Industrial Medicine*, Chicago, Vol. 11, No. 6 (June 1942), pp. 271-275.

DE VIADO, MANUEL. "The Aims and Achievements of the Chilean Preventive Medicine Act." *International Labour Review*, Montreal, Vol. 46, No. 2 (August 1942), pp. 123-135.

FARRELL, JOHN E. "Rhode Island Tries Compulsory Disability Insurance." *Medical Economics*, Rutherford, N. J., Vol. 19, No. 10 (July 1942), pp. 50-52.

GREAT BRITAIN. EXCHEQUER AND AUDIT DEPARTMENT. *National Health Insurance Fund Accounts for the Year Ended 31st December 1940*. London: H. M. Stationery Office, 1942. 30 pp. (House of Commons Paper No. 23, sess. 1941-42.)

KING, J. H. "Hospitalization Insurance: Public or Private?" *Medical Economics*, Rutherford, N. J., Vol. 19, No. 11 (August 1942), pp. 36-40 ff.

Comment on the President's message recommending "hospitalization payments beyond the present benefit program."

LAIRD, ANGUS. "Cooperative Health Plans in Tampa." *Medical Care*, Baltimore, Vol. 2, No. 3 (July 1942), pp. 235-246.

A description of the medical services offered by several societies which have been active among Latin Americans in Tampa, Fla., for 50 years. Critical comments by other persons supplement the paper.

PINNEY, JEAN B. "How Fares the Battle Against Prostitution?" *Social Service Review*, Chicago, Vol. 16, No. 2 (June 1942), pp. 224-246.

Present activities by public and voluntary agencies in the attack on venereal disease.

"Rights of Industrial injured." *Illinois Labor Bulletin*, Chicago, Vol. 3, No. 1 (July 31, 1942), pp. 3 ff.

The first of a series "advising the general public of the rights and privileges under the Workmen's Compensation and Occupational Diseases Acts" of Illinois.

SANDERS, BARKEV S., and KLEM, MARGARET C. "Service and Costs in a Prepayment Medical Care Plan; Comparison With Other Plans and With the General Population." *Medical Care*, Baltimore, Vol. 2, No. 3 (July 1942), pp. 215-223.

Data on the medical services offered by a prepayment plan in the South which has more than 5,000 members. Comparisons are made as to clinic attendance, home visits by doctors, and days of hospitalization with five other plans, as reported by Dr. Franz Goldmann, and with the medical services of the general population, reported by the Committee on the Costs of Medical Care.

SAWYER, WILLIAM ALFRED. "Prehabilitation and Rehabilitation in Industry." *Journal of the American Medical Association*, Chicago, Vol. 119, No. 5 (May 30, 1942), pp. 419-423.

Industrial medicine "as part of the war effort."

SHEPPARD, VIRGIL. "Public Medical Care: Indiana." *Medical Care*, Baltimore, Vol. 2, No. 3 (July 1942), pp. 229-234.

Explains the recently liberalized Indiana program for providing "medical care for recipients of security aid without restriction as to extent and cost of service."

VAN HORN, A. L., and LESSER, ARTHUR J. "Hospital Standards for the Care of Crippled Children." *The Child*, Washington, Vol. 6, No. 12 (June 1942), pp. 308-310.

"Voluntary Health Insurance Plans." *Medical Care*, Baltimore, Vol. 2, No. 3 (July 1942), pp. 277-284.

News on developments in Michigan, Cleveland, New York, and the country at large in the field of medical prepayment plans.

WILSON, C. H. "Does the Public Health Movement Menace Private Practice?" *Medical Economics*, Rutherford, N. J., Vol. 19, No. 10 (July 1942), pp. 54-59 ff.

WILSON, CHARLES MORROW. "How Latin Americans Die, and What We Can Do About It." *Harper's Magazine*, New York, Vol. 185, No. 1106 (July 1942), pp. 141-148.

The importance to the entire Western Hemisphere of Latin American death and disease rates.